Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2839, § 5, effective January 1, 2020.

PART 2

STATE LICENSING AUTHORITY

44-10-201. State licensing authority - creation. (1) (a) For the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, sale, and testing of regulated marijuana in this state, there is hereby created the state licensing authority, which is the executive director or the deputy director of the department if the executive director so designates.

(b) The state licensing authority also has regulatory authority for retail marijuana and retail marijuana products as permitted in section 16 of article XVIII of the state constitution and this article 10.

(2) The executive director is the chief administrative officer of the state licensing authority and may employ, pursuant to section 13 of article XII of the state constitution, such officers and employees as may be determined to be necessary, which officers and employees are part of the department.

(3) A state licensing authority employee with regulatory oversight responsibilities for marijuana businesses licensed by the state licensing authority shall not work for, represent, or provide consulting services to or otherwise derive pecuniary gain from a medical or retail marijuana business licensed by the state licensing authority or other business entity established for the primary purpose of providing services to the marijuana industry for a period of six months following his or her last day of employment with the state licensing authority.

(4) Any person who discloses confidential records or information in violation of the provisions of this article 10 commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501. Any criminal prosecution pursuant to the provisions of this section must be brought within five years from the date the violation occurred.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2840, § 5, effective January 1, 2020. **L. 2021:** (4) amended, (SB 21-271), ch. 462, p. 3327, § 785, effective March 1, 2022.

Editor's note: This section is similar to former §§ 44-11-201 and 44-12-201 as they existed prior to 2020.

44-10-202. Powers and duties of state licensing authority - stakeholder work group - rules - report - legislative declaration. (1) **Powers and duties.** The state licensing authority shall:

(a) Develop and maintain a seed-to-sale tracking system that tracks regulated marijuana from either the seed or immature plant stage until the regulated marijuana or regulated marijuana product is sold to a patient at a medical marijuana store or to a customer at a retail marijuana store or a retail marijuana hospitality and sales business to ensure that no regulated marijuana grown or processed by a medical marijuana business or retail marijuana business is sold or

otherwise transferred except by a medical or retail marijuana store or a retail marijuana hospitality and sales business; except that the medical marijuana or medical marijuana product is no longer subject to the tracking system once the medical marijuana or medical marijuana product has been:

(I) Repealed.

(II) Transferred to a pesticide manufacturer in quantities that are limited as specified in rules promulgated by the state licensing authority, in consultation with the departments of public health and environment and agriculture. The rules must define a pesticide manufacturer that is authorized to conduct research and must authorize a pesticide manufacturer to conduct research to establish safe and effective protocols for the use of pesticides on medical marijuana. Notwithstanding any other provision of law, a pesticide manufacturer authorized pursuant to this subsection (1)(a)(II) to conduct pesticide research regarding marijuana must be located in Colorado, must conduct the research in Colorado, and is exempt from all otherwise applicable restrictions on the possession and use of medical marijuana or medical marijuana products; except that the manufacturer shall:

(A) Not possess at any time a quantity of medical marijuana or medical marijuana product in excess of the limit established in rules promulgated by the state licensing authority;

(B) Use the medical marijuana and medical marijuana product only for the pesticide research authorized pursuant to this subsection (1)(a)(II);

(C) Destroy, in compliance with rules promulgated by the state licensing authority, all medical marijuana and medical marijuana products remaining after the research has been completed; and

(D) Not apply pesticides for research purposes on the licensed premises of a medical marijuana business.

(b) Grant or refuse state licenses for the cultivation, manufacture, distribution, sale, hospitality, and testing of regulated marijuana and regulated marijuana products as provided by law; suspend, fine, restrict, or revoke such licenses, whether active, expired, or surrendered, upon a violation of this article 10 or any rule promulgated pursuant to this article 10; and impose any penalty authorized by this article 10 or any rule promulgated pursuant to this article 10. The state licensing authority may take any action with respect to a registration or permit pursuant to this article 10 as it may with respect to a license pursuant to this article 10, in accordance with the procedures established pursuant to this article 10.

(c) Promulgate rules for the proper regulation and control of the cultivation, manufacture, distribution, sale, and testing of regulated marijuana and regulated marijuana products and for the enforcement of this article 10 and promulgate amended rules and such special rulings and findings as necessary;

(d) Hear and determine at a public hearing any contested state license denial and any complaints against a licensee and administer oaths and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of any hearing so held, all in accordance with article 4 of title 24. The state licensing authority may, at its discretion, delegate to the department hearing officers the authority to conduct licensing, disciplinary, and rule-making hearings pursuant to section 24-4-105. When conducting the hearings, the hearing officers are employees of the state licensing authority under the direction and supervision of the executive director and the state licensing authority.

(e) Develop such forms, licenses, identification cards, and applications as are necessary or convenient in the discretion of the state licensing authority for the administration of this article 10 or rules promulgated pursuant to this article 10;

(f) Prepare and transmit annually, in the form and manner prescribed by the heads of the principal departments pursuant to section 24-1-136, a report accounting to the governor for the efficient discharge of all responsibilities assigned by law or directive to the state licensing authority; and

(g) Collect and maintain data related to licensing disqualifications and all sanctions based on past criminal history pursuant to the requirements in section 24-34-104 (6)(b)(IX).

(h) Repealed.

(2) Nothing in this article 10 delegates to the state licensing authority the power to fix prices for regulated marijuana.

(3) Nothing in this article 10 limits a law enforcement agency's ability to investigate unlawful activity in relation to a medical marijuana business or retail marijuana business. A law enforcement agency has the authority to run a Colorado crime information center criminal history record check of a primary caregiver, licensee, or employee of a licensee during an investigation of unlawful activity related to medical marijuana. A law enforcement agency has the authority to run a Colorado crime information center criminal history record check of a licensee or employee of a licensee during an investigation of unlawful activity related to regulated marijuana and regulated marijuana products.

(4) The executive director of the department of public health and environment shall provide to the state licensing authority standards for licensing laboratories pursuant to the requirements as outlined in section 44-10-203 (2)(d)(II) for regulated marijuana and regulated marijuana products.

(5) (a) The state licensing authority has the authority to petition a district court for an investigative subpoena applicable to a person who is not licensed pursuant to this article 10 to obtain documents or information necessary to enforce the provisions of this article 10 and any rules promulgated pursuant to this article 10 after reasonable efforts have been made to obtain requested documents or information without a subpoena.

(b) The state licensing authority may apply to any court of competent jurisdiction to temporarily restrain or preliminarily or permanently enjoin the act in question of a person who is not licensed pursuant to this article 10 and to enforce compliance with this article 10 or any rule or order issued pursuant to this article 10 whenever it appears to the state licensing authority upon sufficient evidence satisfactory to the state licensing authority that any person has been or is committing an act prohibited by this article 10, a rule promulgated pursuant to this article 10, a rule or an order issued pursuant to this article 10, and the act:

(I) Threatens public health or safety;

(II) Constitutes an unlawful act for which the person does not hold the required license under this article 10; or

(III) Constitutes a violation of an order of the state licensing authority.

(6) The general assembly finds and declares that matters related to labeling as regulated pursuant to this section and section 44-10-203 (2)(f), packaging as regulated pursuant to this section and section 44-10-203 (3)(b), and testing as regulated pursuant to this section and section 44-10-203 (2)(d) are matters of statewide concern and the sole regulatory authority for labeling, packaging, and testing is section 44-10-203.

(7) and (8) Repealed.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2840, § 5, effective January 1, 2020; IP(1)(a) and (1)(b) amended, (HB 19-1230), ch. 340, p. 3118, § 13, effective January 1, 2020. **L. 2020:** (1)(a)(I) repealed, (HB 20-1402), ch. 216, p. 1060, § 74, effective June 30. **L. 2021:** (8) added, (HB 21-1317), ch. 313, p. 1920, § 10, effective June 24; (1)(b) amended, (HB 21-1178), ch. 130, p. 524, § 2, effective September 7; (1)(f) and (1)(g) amended and (1)(h) added, (HB 21-1301), ch. 304, p. 1825, § 4, effective September 7.

Editor's note: (1) This section is similar to former §§ 44-12-202 IP(2), (2)(a), (2)(b), and (3)(a)(IV)(G) and 44-11-202 (1)(c), (1)(e), and (1)(f) as they existed prior to 2020.

(2) Subsection (7)(b) provided for the repeal of subsection (7), effective July 1, 2021. (See L. 2019, p. 2840.)

(3) Subsection (8)(c) provided for the repeal of subsection (8), effective July 1, 2022. (See L. 2021, p. 1920.)

(4) Subsection (1)(h)(II) provided for the repeal of subsection (1)(h), effective September 1, 2022. (See L. 2021, p. 1825.)

44-10-203. State licensing authority - rules. (1) **Permissive rule-making.** Rules promulgated pursuant to section 44-10-202 (1)(c) may include the following subjects:

(a) Labeling guidelines concerning the total content of THC per unit of weight;

(b) Control of informational and product displays on licensed premises;

(c) Records to be kept by licensees and the required availability of the records;

(d) Permitted economic interests issued prior to January 1, 2020, including a process for a criminal history record check, a requirement that a permitted economic interest applicant submit to and pass a criminal history record check, a divestiture, and other agreements that would qualify as permitted economic interests;

(e) Specifications of duties of officers and employees of the state licensing authority;

(f) Instructions for local licensing authorities and law enforcement officers;

(g) Requirements for inspections, investigations, searches, seizures, forfeitures, and such additional activities as may become necessary from time to time;

(h) Prohibition of misrepresentation and unfair practices;

(i) Marijuana research and development licenses, including application requirements; renewal requirements, including whether additional research projects may be added or considered; conditions for license revocation; security measures to ensure marijuana is not diverted to purposes other than research or diverted outside of the regulated marijuana market; the amount of plants, useable marijuana, marijuana concentrates, or marijuana products a licensee may have on its premises; licensee reporting requirements; the conditions under which marijuana possessed by medical marijuana licensees may be donated to marijuana research and development licensees or transferred to a nonmetric-based research facility; provisions to prevent contamination; requirements for destruction or transfer of marijuana after the research is concluded; and any additional requirements;

(j) A definition for "disproportionate impacted area" to the extent relevant state of Colorado data exists, is available, and is used for the purpose of determining eligibility for a social equity licensee;

(j.3) The documentation a natural person applying to be a social equity licensee must provide and the documentation verification the state licensing authority performs;

(j.5) The implementation of contingency plans pursuant to sections 44-10-502 (10) and 44-10-602 (14), including the definition of outdoor cultivation, adverse weather event, or adverse natural occurrence and the process, procedures, requirements, and restrictions for contingency plans; and

(k) Such other matters as are necessary for the fair, impartial, stringent, and comprehensive administration of this article 10.

(2) **Mandatory rule-making.** Rules promulgated pursuant to section 44-10-202 (1)(c) must include the following subjects:

(a) Procedures consistent with this article 10 for the issuance, renewal, suspension, and revocation of licenses to operate medical marijuana businesses and retail marijuana businesses;

(b) Subject to the limitations contained in section 16 (5)(a)(II) of article XVIII of the state constitution and consistent with this article 10, a schedule of application, licensing, and renewal fees for medical marijuana businesses and retail marijuana businesses;

(c) Qualifications for licensure pursuant to this article 10, including but not limited to the requirement for a fingerprint-based criminal history record check for all controlling beneficial owners, passive beneficial owners, managers, contractors, employees, and other support staff of entities licensed pursuant to this article 10;

(d) (I) Establishment of a marijuana and marijuana products independent testing and certification program for marijuana business licensees, within an implementation time frame established by the department, requiring licensees to test marijuana and hemp products to ensure, at a minimum, that products sold for human consumption by persons licensed pursuant to this article 10 do not contain contaminants that are injurious to health and to ensure correct labeling.

(II) Testing may include analysis for microbial and residual solvents and chemical and biological contaminants deemed to be public health hazards by the Colorado department of public health and environment based on medical reports and published scientific literature.

(III) (A) If test results indicate the presence of a substance determined to be injurious to health, the medical marijuana or retail marijuana licensee shall immediately quarantine the products and notify the state licensing authority. The state licensing authority shall give the licensee an opportunity to remediate or decontaminate the product if the test indicated the presence of a microbial. If the licensee is unable to remediate or decontaminate the product, the licensee shall document and properly destroy the adulterated product. If the licensee is able to remediate or decontaminate the product and the product passes retesting, the licensee need not provide an additional label that would otherwise not be required for a product that passed initial testing.

(B) If retail marijuana or retail marijuana product test results indicate the presence of quantities of a substance determined to be injurious to health, including pesticides, the state licensing authority shall give the licensee an opportunity to retest the retail marijuana or retail marijuana product.

(C) If two additional tests of the retail marijuana or retail marijuana product do not indicate the presence of quantities of any substance determined to be injurious to health, the product may be used or sold by the retail marijuana licensee.

(IV) (A) Testing must also verify THC potency representations and homogeneity for correct labeling and provide a cannabinoid profile for the regulated marijuana product.

(B) An individual retail marijuana piece of ten milligrams or less that has gone through process validation is exempt from continued homogeneity testing.

(C) Homogeneity testing for one hundred milligram servings of retail marijuana may utilize validation measures.

(V) The state licensing authority shall determine an acceptable variance for potency representations and procedures to address potency misrepresentations. The state licensing authority shall determine an acceptable variance of at least plus or minus fifteen percent for potency representations and procedures to address potency misrepresentations.

(VI) The state licensing authority shall determine the protocols and frequency of regulated marijuana testing by licensees.

(VII) A state, local, or municipal agency shall not employ or use the results of any test of regulated marijuana or regulated marijuana products conducted by an analytical laboratory that is not certified pursuant to this subsection (2)(d)(VII) for the particular testing category or that is not accredited to the International Organization for Standardization/International Electrotechnical Commission 17025:2005 standard, or any subsequent superseding standard, in that field of testing. Starting January 1, 2018, a state, local, or municipal agency may use or employ the results of any test of regulated marijuana or regulated marijuana products conducted on or after January 1, 2018, by an analytical laboratory that is certified pursuant to this subsection (2)(d)(VII) for the particular testing category or is accredited pursuant to the International Organization for Standardization/International Electrotechnical Commission 17025:2005 standard, or any subsequent superseding standard, in that field of testing.

(VIII) On or before January 1, 2019, the state licensing authority shall require a medical marijuana testing facility or retail marijuana testing facility to be accredited by a body that is itself recognized by the International Laboratory Accreditation Cooperation in a category of testing pursuant to the International Organization for Standardization/International Electrotechnical Commission 17025:2005 standard, or a subsequent superseding standard, in order to receive certification or maintain certification; except that the state licensing authority may by rule establish conditions for providing extensions to a newly licensed medical marijuana testing facility or retail marijuana testing facility for a period not to exceed twelve months or a medical marijuana testing facility or retail marijuana testing facility for good cause as defined by rules promulgated by the state licensing authority, which must include but may not be limited to when an application for accreditation has been submitted and is pending with a recognized accrediting body.

(IX) The state licensing authority shall promulgate rules that prevent redundant testing of marijuana and marijuana concentrate, including, but not limited to, potency testing of marijuana allocated to extractions, and residual solvent testing of marijuana concentrate when all inputs of the marijuana concentrate have passed residual solvent testing pursuant to this subsection (2)(d).

(e) Security requirements for any premises licensed pursuant to this article 10, including, at a minimum, lighting, physical security, video, and alarm requirements, and other minimum procedures for internal control as deemed necessary by the state licensing authority to properly administer and enforce this article 10, including biennial reporting requirements for changes, alterations, or modifications to the premises;

(f) Labeling requirements for regulated marijuana and regulated marijuana products sold by a medical marijuana business or retail marijuana business that are at least as stringent as those imposed by section 25-4-1614 (3)(a) and include but are not limited to:

(I) Warning labels;

(II) Amount of THC per serving and the number of servings per package for regulated marijuana products;

(III) A universal symbol indicating that the package contains marijuana; and

(IV) Potency of the regulated marijuana and regulated marijuana products;

(g) Health and safety regulations and standards for the manufacture of regulated marijuana products and the cultivation of regulated marijuana, including procedures for the embargo and destruction of regulated marijuana in accordance with section 44-10-207;

(h) Regulation of the storage of, warehouses for, and transportation of regulated marijuana and regulated marijuana products, including procedures for the administrative hold of regulated marijuana and regulated marijuana products pursuant to section 44-10-207, including establishing the following standards and processes to resolve administrative holds in a timely manner:

(I) Defining circumstances for the issuance of an administrative hold, which circumstances must be based on objectives related to preventing the destruction of evidence, preventing diversion, or addressing a threat to public safety;

(II) Reasonable time frames and actions for the expedient resolution of an administrative hold issued to preserve evidence and standards by which the state licensing authority would have reasonable grounds to extend an administrative hold due to the nature of the investigation or a threat to public safety;

(III) Reasonable expectations and timelines for notices of administrative holds and subsequent processes; and

(IV) Processes allowing a licensee to destroy any regulated marijuana or regulated marijuana products that are subject to an administrative hold when the need to preserve evidence has subsided;

(i) Sanitary requirements for medical marijuana businesses and retail marijuana businesses, including but not limited to sanitary requirements for the preparation of regulated marijuana products;

(j) The reporting and transmittal of monthly sales tax payments by medical marijuana stores and retail marijuana stores and any applicable excise tax payments by retail marijuana cultivation facilities;

(k) Authorization for the department to have access to licensing information to ensure sales, excise, and income tax payment and the effective administration of this article 10;

(l) Compliance with, enforcement of, or violation of any provision of this article 10, section 18-18-406.3 (7), or any rule promulgated pursuant to this article 10, including procedures and grounds for denying, suspending, fining, restricting, or revoking a state license issued pursuant to this article 10;

(m) Establishing a schedule of penalties and procedures for issuing and appealing citations for violation of statutes and rules and issuing administrative citations;

(n) Medical marijuana transporter licensed businesses and retail marijuana transporter licensed businesses, including requirements for drivers, including obtaining and maintaining a valid Colorado driver's license; insurance requirements; acceptable time frames for transport,

storage, and delivery; requirements for transport vehicles; requirements for deliveries; and requirements for licensed premises;

(o) Medical marijuana business operator licenses and retail marijuana business operator licensees, including the form and structure of allowable agreements between operators and the medical or retail marijuana business;

(p) Unescorted visitors in limited access areas;

(q) Temporary appointee registrations issued pursuant to section 44-10-401 (3), including occupational and business registration requirements; application time frames; notification requirements; issuance, expiration, renewal, suspension, and revocation of a temporary appointee registration; and conditions of registration;

(r) Requirements for a centralized distribution permit for medical marijuana cultivation facilities or retail marijuana cultivation facilities issued pursuant to section 44-10-502 (6) or 44-10-602 (7), including but not limited to permit application requirements and privileges and restrictions of a centralized distribution permit;

(s) Requirements for issuance of co-location permits to a marijuana research and development licensee authorizing co-location with a medical marijuana products manufacturer or retail marijuana products manufacturer licensed premises, including application requirements, eligibility, restrictions to prevent cross-contamination and to ensure physical separation of inventory and research activities, and other privileges and restrictions of permits;

(t) Development of individual identification cards for individuals working in or having unescorted access to the limited access areas of the licensed premises of a medical marijuana business or retail marijuana business, including a fingerprint-based criminal history record check as may be required by the state licensing authority prior to issuing a card;

(u) Identification of state licensees and their controlling beneficial owners, passive beneficial owners, managers, and employees;

(v) The specification of acceptable forms of picture identification that a medical marijuana store or retail marijuana store may accept when verifying a sale, including but not limited to government-issued identification cards;

(w) State licensing procedures, including procedures for renewals, reinstatements, initial licenses, and the payment of licensing fees;

(x) The conditions under which a licensee is authorized to transfer fibrous waste to a person for the purpose of producing only industrial fiber products. The conditions must include contract requirements that stipulate that the fibrous waste will only be used to produce industrial fiber products; record-keeping requirements; security measures related to the transport and transfer of fibrous waste; requirements for handling contaminated fibrous waste; and processes associated with handling fibrous waste. The rules must not require licensees to alter fibrous waste from its natural state prior to transfer.

(y) Requiring that edible regulated marijuana products be clearly identifiable, when practicable, with a standard symbol indicating that they contain marijuana and are not for consumption by children. The symbols promulgated by rule of the state licensing authority must not appropriate signs or symbols associated with another Colorado business or industry;

(z) Requirements to prevent the sale or diversion of retail marijuana and retail marijuana products to persons under twenty-one years of age;

(aa) The implementation of an accelerator program including but not limited to rules to establish requirements for social equity licensees operating on the same licensed premises or on

separate premises possessed by an accelerator-endorsed licensee. The state licensing authority's rules establishing an accelerator program may include requirements for severed custodianship of regulated marijuana products, protections of the intellectual property of a social equity licensee, incentives for accelerator-endorsed licensees, and additional requirements if a person applying for an accelerator endorsement has less than two years' experience operating a licensed facility pursuant to this article 10. An accelerator-endorsed licensee is not required to exercise the privileges of its license on the premises where a social equity licensee operates. The state licensing authority's implementation of an accelerator program is extended from July 1, 2020, to January 1, 2021.

(bb) Conditions under which a licensee is authorized to collect marijuana consumer waste and transfer it to a person for the purposes of reuse or recycling in accordance with all requirements established by the department of public health and environment pertaining to waste disposal and recycling. The conditions must include:

(I) That the person receiving marijuana consumer waste from a licensee is, to the extent required by law, registered with the department of public health and environment;

(II) Record-keeping requirements;

(III) Security measures related to the collection and transfer of marijuana consumer waste;

(IV) Health and safety requirements, including requirements for the handling of marijuana consumer waste; and

(V) Processes associated with handling marijuana consumer waste, including destruction of any remaining regulated marijuana in the marijuana consumer waste.

(cc) Requirements for a transition permit for medical marijuana cultivation facilities or retail marijuana cultivation facilities issued pursuant to section 44-10-313 (13)(c), including but not limited to permit application requirements and restrictions of a transition permit;

(dd) Requirements for medical marijuana and medical marijuana products delivery as described in section 44-10-501 (11) and section 44-10-505 (5) and retail marijuana and retail marijuana products delivery as described in section 44-10-601 (13) and section 44-10-605 (5), including:

(I) Qualifications and eligibility requirements for licensed medical marijuana stores, retail marijuana stores, medical marijuana transporters, and retail marijuana transporters applying for a medical marijuana delivery permit;

(II) Training requirements for personnel of medical marijuana stores, retail marijuana stores, medical marijuana transporters, and retail marijuana transporters that hold a medical marijuana or retail marijuana delivery permit who will deliver medical marijuana or medical marijuana products or retail marijuana or retail marijuana products pursuant to this article 10 and requirements that medical marijuana stores, retail marijuana stores, medical marijuana transporters, and retail marijuana transporters be considered to have a responsible vendor designation pursuant to section 44-10-1201 prior to conducting a delivery;

(III) Procedures for proof of medical marijuana registry and age identification and verification;

(IV) Security requirements;

(V) Delivery vehicle requirements, including requirements for surveillance;

(VI) Record-keeping requirements;

(VII) Limits on the amount of medical marijuana and medical marijuana products and retail marijuana and retail marijuana products that may be carried in a delivery vehicle and delivered to a patient or parent or guardian or individual, which cannot exceed limits placed on sales at licensed medical marijuana stores;

(VIII) Limits on the amount of retail marijuana and retail marijuana products that may be carried in a delivery vehicle and delivered to an individual, which cannot exceed limits placed on sales at retail marijuana stores;

(IX) Inventory tracking system requirements, which include the ability to determine the amount of medical marijuana a patient has purchased that day in real time by searching a patient registration number;

(X) Health and safety requirements for medical marijuana and medical marijuana products delivered to a patient or parent or guardian and for retail marijuana and retail marijuana products delivered to an individual;

(XI) Confidentiality requirements to ensure that persons delivering medical marijuana and medical marijuana products or retail marijuana and retail marijuana products pursuant to this article 10 do not disclose personal identifying information to any person other than those who need that information in order to take, process, or deliver the order or as otherwise required or authorized by this article 10, title 18, or title 25;

(XII) An application fee and annual renewal fee for the medical marijuana delivery permit and the retail marijuana delivery permit. The amount of the fee must reflect the expected costs of administering the medical marijuana delivery permit and the retail marijuana delivery permit and may be adjusted by the state licensing authority to reflect the permit's actual direct and indirect costs.

(XIII) The permitted hours of delivery of medical marijuana and medical marijuana products and retail marijuana and retail marijuana products;

(XIV) (A) Requirements for areas where medical marijuana and medical marijuana products or retail marijuana and retail marijuana products orders are stored, weighed, packaged, prepared, and tagged, including requirements that medical marijuana and medical marijuana products or retail marijuana and retail marijuana products cannot be placed into a delivery vehicle until after an order has been placed and that all delivery orders must be packaged on the licensed premises of a medical marijuana store or retail marijuana store or its associated state licensing authority-authorized storage facility as defined by rule after an order has been received.

(B) By January 1, 2027, the state licensing authority shall promulgate rules that do not require licensees to use radio frequency identification technology to track regulated marijuana in seed-to-sale tracking system requirements established by rule.

(XV) Payment methods, including but not limited to the use of gift cards and prepayment accounts;

(ee) (I) (A) Ownership and financial disclosure procedures and requirements pursuant to this article 10;

(B) Records a medical marijuana business or retail marijuana business is required to maintain regarding its controlling beneficial owners, passive beneficial owners, and indirect financial interest holders that may be subject to disclosure at renewal or as part of any other investigation following initial licensure of a medical marijuana business or retail marijuana business;

(C) Procedures and requirements for findings of suitability pursuant to this article 10, including fees necessary to cover the direct and indirect costs of any suitability investigation;

(D) Procedures and requirements concerning the divestiture of the beneficial ownership of a person found unsuitable by the state licensing authority;

(E) Procedures, processes, and requirements for transfers of ownership involving a publicly traded corporation, including but not limited to mergers with a publicly traded corporation, investment by a publicly traded corporation, and public offerings;

(F) Designation of persons that by virtue of common control constitute controlling beneficial owners;

(G) Modification of the percentage of owner's interests that may be held by a controlling beneficial owner and passive beneficial owner;

(H) Designation of persons that qualify for an exemption from an otherwise required finding of suitability; and

(I) Designation of indirect financial interest holders and qualified institutional investors.

(II) Rules promulgated pursuant to this subsection (2)(ee) must not be any more restrictive than the requirements expressly established under this article 10.

(ff) The implementation of marijuana hospitality and retail marijuana hospitality and sales business licenses, including but not limited to:

(I) General insurance liability requirements;

(II) A sales limit per transaction for retail marijuana and retail marijuana products that may be sold to a patron of a retail marijuana hospitality and sales business; except that the sales limit established by the state licensing authority must not be an amount less than one gram of retail marijuana flower, one-quarter of one gram of retail marijuana concentrate, or a retail marijuana product containing not more than ten milligrams of active THC;

(III) Restrictions on the type of any retail marijuana or retail marijuana product authorized to be sold, including that the marijuana or product be meant for consumption in the licensed premises of the business;

(IV) Prohibitions on activity that would require additional licensure on the licensed premises, including but not limited to sales, manufacturing, or cultivation activity;

(V) Requirements for marijuana hospitality businesses and retail marijuana hospitality and sales businesses operating pursuant to section 44-10-609 or 44-10-610 in a retail food business;

(VI) Requirements for marijuana hospitality businesses and retail marijuana hospitality and sales business licensees to destroy any unconsumed marijuana or marijuana products left behind by a patron; and

(VII) Rules to ensure compliance with section 42-4-1305.5;

(gg) For marijuana hospitality businesses that are mobile, regulations including but not limited to:

(I) Registration of vehicles and proper designation of vehicles used as mobile licensed premises;

(II) Surveillance cameras inside the vehicles;

(III) Global positioning system tracking and route logging in an established route manifest system;

(IV) Compliance with section 42-4-1305.5;

(V) Ensuring activity is not visible outside of the vehicle; and

(VI) Proper ventilation within the vehicle;

(hh) The circumstances that constitute a significant physical or geographic hardship as used in section 44-10-501 (13);

(ii) Effective January 1, 2023, requirements for medical and retail marijuana concentrate to promote consumer health and awareness, which shall include a recommended serving size, visual representation of one recommended serving, and labeling requirements and may include a measuring device that may be used to measure one recommended serving;

(jj) Allowing a person to operate a licensed medical marijuana business and a licensed retail marijuana business at the same location pursuant to section 44-10-313 (14).

(3) In promulgating rules pursuant to this section, the state licensing authority may seek the assistance of the department of public health and environment when necessary before promulgating rules on the following subjects:

(a) Signage, marketing, and advertising, including but not limited to a prohibition on mass-market campaigns that have a high likelihood of reaching persons under eighteen years of age for medical marijuana and have a high likelihood of reaching persons under twenty-one years of age for retail marijuana and other such rules that may include:

(I) Allowing packaging and accessory branding;

(II) Prohibiting health or physical benefit claims in advertising, merchandising, and packaging;

(III) Prohibiting unsolicited pop-up advertising on the internet;

(IV) Prohibiting banner ads on mass-market websites;

(V) Prohibiting opt-in marketing that does not permit an easy and permanent opt-out feature;

(VI) Prohibiting marketing directed toward location-based devices, including but not limited to cellular phones, unless the marketing is a mobile device application installed on the device by the owner of the device who is eighteen years of age or older for medical marijuana and twenty-one years of age or older for retail marijuana and includes a permanent and easy opt-out feature;

(VII) Prohibiting advertising and marketing by a medical marijuana business that is specifically directed at persons who are under twenty-one years of age; and

(VIII) Requirements that any advertising or marketing specific to medical marijuana concentrate or retail marijuana concentrate include a notice regarding the potential risks of medical marijuana concentrate or retail marijuana concentrate overconsumption;

(b) A prohibition on the sale of regulated marijuana and regulated marijuana products unless the product is:

(I) Packaged in packaging meeting requirements established by the state licensing authority similar to the federal "Poison Prevention Packaging Act of 1970", 15 U.S.C. sec. 1471 et seq., as amended; and

(II) Placed in an opaque and resealable exit package or container meeting requirements established by the state licensing authority at the point of sale prior to exiting the store;

(c) The safe and lawful transport of regulated marijuana and regulated marijuana products between the licensed business and testing laboratories;

(d) A standardized marijuana serving size amount for edible retail marijuana products that does not contain more than ten milligrams of active THC, designed only to provide consumers with information about the total number of servings of active THC in a particular

retail marijuana product, not as a limitation on the total amount of THC in any particular item; labeling requirements regarding servings for edible retail marijuana products; and limitations on the total amount of active THC in a sealed internal package that is no more than one hundred milligrams of active THC;

(e) Prohibition on or regulation of additives to any regulated marijuana product, including but not limited to those that are toxic, designed to make the product more addictive, designed to make the product more appealing to children, or misleading to consumers, but not including common baking and cooking items;

(f) Permission for a local fire department to conduct an annual fire inspection of a medical marijuana cultivation facility or retail marijuana cultivation facility;

(g) A prohibition on the production and sale of edible regulated marijuana products that are in the distinct shape of a human, animal, or fruit. Geometric shapes and products that are simply fruit flavored are not considered fruit. Products in the shape of a marijuana leaf are permissible. Nothing in this subsection (3)(g) applies to a company logo.

(h) A requirement that every medical marijuana store and retail marijuana store post, at all times and in a prominent place at every point of sale, a warning that has a minimum height of three inches and a width of six inches and that reads:

Warning: Using marijuana, in any form, while you are pregnant or breastfeeding passes THC to your baby and may be harmful to your baby. There is no known safe amount of marijuana use during pregnancy or breastfeeding.

(4) **Equivalency.** Rules promulgated pursuant to section 44-10-202 (1)(c) must also include establishing the equivalent of one ounce of retail marijuana flower in various retail marijuana products, including retail marijuana concentrate. Prior to promulgating the rules required by this subsection (4), the state licensing authority may contract for a scientific study to determine the equivalency of marijuana flower in retail marijuana products, including retail marijuana concentrate.

(5) **Statewide class system cultivation facility rules - medical marijuana.** (a) The state licensing authority shall create a statewide licensure class system for medical marijuana cultivation facility licenses. The classifications may be based upon square footage of the facility; lights, lumens, or wattage; lit canopy; the number of cultivating plants; other reasonable metrics; or any combination thereof. The state licensing authority shall create a fee structure for the licensure class system.

(b) (I) The state licensing authority may establish limitations on medical marijuana production through one or more of the following methods:

(A) Placing or modifying a limit on the number of licenses that it issues, by class or overall, but in placing or modifying the limits, the state licensing authority shall consider the reasonable availability of new licenses after a limit is established or modified;

(B) Placing or modifying a limit on the amount of production permitted by a medical marijuana cultivation facility license or class of licenses based upon some reasonable metric or set of metrics, including but not limited to those items detailed in subsection (5)(a) of this section, previous months' sales, pending sales, or other reasonable metrics as determined by the state licensing authority; and

(C) Placing or modifying a limit on the total amount of production by medical marijuana cultivation facility licensees in the state collectively, based upon some reasonable metric or set

of metrics including but not limited to those items detailed in subsection (5)(a) of this section, as determined by the state licensing authority.

(II) When considering any such limitations, the state licensing authority shall:

(A) Consider the total current and anticipated demand for medical marijuana and medical marijuana products in Colorado;

(B) Consider any other relevant factors; and

(C) Attempt to minimize the market for unlawful marijuana; and

(c) The state licensing authority may adopt rules that limit the amount of medical marijuana inventory that a medical marijuana store may have on hand. If the state licensing authority adopts a limitation, the limitation must be commercially reasonable and consider factors including a medical marijuana store's sales history and the number of patients who are registered at a medical marijuana store as their primary store.

(6) **Statewide class system cultivation facility rules - retail marijuana.** (a) The state licensing authority shall create a statewide licensure class system for retail marijuana cultivation facility licenses. The classifications may be based upon square footage of the facility; lights, lumens, or wattage; lit canopy; the number of cultivating plants; other reasonable metrics; or any combination thereof. The state licensing authority shall create a fee structure for the licensure class system.

(b) The state licensing authority may establish limitations on retail marijuana production through one or more of the following methods:

(I) Placing or modifying a limit on the number of licenses that it issues, by class or overall, but in placing or modifying the limits, the authority shall consider the reasonable availability of new licenses after a limit is established or modified;

(II) Placing or modifying a limit on the amount of production permitted by a retail marijuana cultivation facility license or class of licenses based upon some reasonable metric or set of metrics including but not limited to those items detailed in subsection (6)(a) of this section, previous months' sales, pending sales, or other reasonable metrics as determined by the state licensing authority; and

(III) Placing or modifying a limit on the total amount of production by retail marijuana cultivation facility licensees in the state collectively, based upon some reasonable metric or set of metrics including but not limited to those items detailed in subsection (6)(a) of this section, as determined by the state licensing authority.

(c) Notwithstanding anything contained in this article 10 to the contrary, in considering any such limitations, the state licensing authority, in addition to any other relevant considerations, shall:

(I) Consider the total current and anticipated demand for retail marijuana and retail marijuana products in Colorado; and

(II) Attempt to minimize the market for unlawful marijuana.

(7) The state licensing authority may deny, suspend, revoke, fine, or impose other sanctions against a person's license issued pursuant to this article 10 if the state licensing authority finds the person or the person's controlling beneficial owner, passive beneficial owner, or indirect financial interest holder failed to timely file any report, disclosure, registration statement, or other submission required by any state or federal regulatory authority that is related to the conduct of their business.

(8) The state licensing authority shall treat a metered-dose inhaler the same as a vaporized delivery device for purposes of regulation and testing.

(9) (a) The state licensing authority may, by rule, establish procedures for the conditional issuance of an employee license identification card at the time of application.

(b) (I) The state licensing authority shall base its issuance of an employee license identification card pursuant to this subsection (9) on the results of an initial investigation that demonstrate the applicant is qualified to hold such license. The employee license application for which an employee license identification card was issued pursuant to this subsection (9) remains subject to denial pending the complete results of the applicant's initial fingerprint-based criminal history record check.

(II) Results of a fingerprint-based criminal history record check that demonstrate that an applicant possessing an employee license identification card pursuant to this subsection (9) is not qualified to hold a license issued under this article 10 are grounds for denial of the employee license application. If the employee license application is denied, the applicant shall return the employee license identification card to the state licensing authority within a time period that the state licensing authority establishes by rule.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2843, § 5, effective January 1, 2020; (2)(ff) and (2)(gg) added, (HB 19-1230), ch. 340, p. 3118, § 14, effective January 1, 2020. **L. 2020:** (1)(i), (1)(j), and (2)(aa) amended and (1)(k) added, (HB 20-1424), ch. 184, p. 843, § 3, effective September 14. **L. 2021:** (2)(dd)(IX), (2)(ff)(VII), and (3)(a)(V) amended and (2)(hh), (2)(ii), (3)(a)(VII), and (3)(a)(VIII) added, (HB 21-1317), ch. 313, p. 1916, § 7, effective June 24; (1)(j) amended and (1)(j.5) and (9) added, (HB 21-1301), ch. 304, p. 1826, § 5, effective September 7; (2)(q) amended, (HB 21-1178), ch. 130, p. 524, § 3, effective September 7. **L. 2022:** (2)(jj) added, (HB 22-1037), ch. 78, p. 391, § 2, effective August 10; (2)(dd)(II) amended, (HB 22-1222), ch. 111, p. 506, § 2, effective January 1, 2023. **L. 2023:** (2)(g) and (2)(h) amended, (HB 23-1021), ch. 32, p. 112, § 2, effective August 7. **L. 2024:** IP(1), IP(2), (2)(d)(III)(A), (2)(d)(III)(B), (2)(e), (2)(t), (2)(dd)(XIV), and (3)(h) amended and (1)(j.3) added, (SB 24-076), ch. 410, p. 2826, § 2, effective August 7; (2)(d)(I) amended, (SB 24-172), ch. 151, p. 611, § 1, effective August 7.

Editor's note: (1) This section is similar to former §§ 44-12-202 (3), (4), and (5) and 44-11-202 (2)(a), (3)(a), and (4) as they existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-204. Confidentiality. (1) The state licensing authority shall maintain the confidentiality of:

(a) Reports or other information obtained from a medical marijuana or retail marijuana licensee or a medical marijuana or retail marijuana license applicant containing any individualized data, information, or records related to the applicant or licensee or its operation, including sales information, leases, business organization records, financial records, tax returns, credit reports, cultivation information, testing results, and security information and plans, or revealing any customer information, or any other records that are exempt from public inspection pursuant to state law. Such reports or other information may be used only for a purpose

authorized by this article 10, for investigation or enforcement of any international, federal, state, or local securities law or regulations, or for any other state or local law enforcement purpose. Any information released related to patients may be used only for a purpose authorized by this article 10, to verify that a person who presented a registry identification card issued pursuant to section 25-1.5-106 (9) to a state or local law enforcement official is lawfully in possession of such card, as a part of an active investigation, as a part of a proceeding authorized by this article 10 or article 1.5 of title 25, or for any state or local law enforcement purpose involving evidence of sales transactions in violation of this article 10 or evidence of criminal activity. The information or records related to a patient constitute medical data as described by section 24-72-204 (3)(a)(I), and the information or records may only be disclosed to those persons directly involved with an active investigation or proceeding. Any customer information may be used only for a purpose authorized by this article 10.

(b) Investigative records and documents related to ongoing investigations. Those records and documents may be used only for a purpose authorized by this article 10 or for any other state or local law enforcement purpose.

(c) Computer systems maintained by the state licensing authority and the vendors with which the state licensing authority has contracted.

(2) The state licensing authority shall make available for public inspection:

(a) Documents related to final agency actions and orders;

(b) Records related to testing on an aggregated and de-identified basis;

(c) Demographic information related to applicants and licensees available on an aggregated and de-identified basis; and

(d) Enforcement forms and compliance checklists.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2856, § 5, effective January 1, 2020.

44-10-205. Change designation of marijuana from medical to retail - report - repeal. (Repealed)

Source: L. 2021: Entire section added, (HB 21-1216), ch. 306, p. 1834, § 6, effective June 23.

Editor's note: Subsection (2) provided for the repeal of this section, effective July 1, 2022. (See L. 2021, p. 1834.)

44-10-206. Task force - creation - report - repeal. (Repealed)

Source: L. 2022: Entire section added, (SB 22-205), ch. 278, p. 2000, § 2, effective May 31.

Editor's note: Subsection (2)(c) provided for the repeal of this section, effective July 1, 2023. (See L. 2022, p. 2000.)

44-10-207. Authority to seize and destroy marijuana - public health, safety, and welfare. (1) (a) The state licensing authority or the state licensing authority's designee may issue an administrative hold on the movement of medical or retail marijuana to prevent the destruction of evidence, diversion, or other threat to public safety pending an investigation of an alleged violation of this article 10 or rules promulgated pursuant to this article 10.

(b) An administrative hold issued pursuant to subsection (1)(a) of this section may be lifted by order of the state licensing authority or the state licensing authority's designee, by agreement between the state licensing authority and the licensee subject to the hold, or in accordance with rules that the state licensing authority promulgates pursuant to section 44-10-203 (2)(h).

(2) (a) The state licensing authority or the state licensing authority's designee may embargo medical or retail marijuana when the state licensing authority finds objective and reasonable grounds to believe that the health, safety, or welfare of the public imperatively requires emergency action.

(b) (I) The state licensing authority may order the destruction of medical or retail marijuana subject to an embargo after notice and opportunity for a hearing before the state licensing authority or, if delegated by the state licensing authority, a department hearing officer. A hearing held pursuant to this subsection (2)(b) must be held in accordance with section 24-4-105.

(II) If medical or retail marijuana is ordered destroyed pursuant to this subsection (2)(b), the licensee is responsible for completing the destruction in coordination with the state licensing authority and in accordance with this article 10 and rules promulgated pursuant to this article 10.

(III) The licensee is responsible for all expenses related to the embargo and destruction of medical or retail marijuana ordered pursuant to this subsection (2)(b).

(3) The state licensing authority may seek the assistance of the department of public health and environment in connection with an embargo or a hearing seeking destruction of medical or retail marijuana.

Source: L. 2023: Entire section added, (HB 23-1021), ch. 32, p. 111, § 1, effective August 7.

44-10-208. Feasibility report - standing committee - definition - repeal. (1) (a) On or before July 1, 2024, the executive director shall submit to the general assembly a report analyzing the feasibility of establishing a standing committee to evaluate cannabinoids and cannabis-derived products for the purpose of determining and making recommendations regarding their safety profiles and potential for intoxication. The report must consider and recommend legislative action addressing the following subjects:

(I) The appropriate state agency or agencies to be involved in, and their role in, the evaluation process;

(II) The ability of a standing committee to determine safety profiles of cannabinoids and cannabis-derived products, including the process by which a standing committee would make such a determination;

(III) The ability of a standing committee to determine the potential for intoxication of cannabinoids and cannabis-derived products, including the process by which a standing committee would make such a determination;

(IV) Recommendations as to members of a standing committee and a process to make appointments of members to a standing committee;

(V) Recommendations regarding an operable timeline for implementation of a standing committee; and

(VI) The fiscal effects of and the resources needed to implement and administer a standing committee.

(b) To inform the feasibility report described in subsection (1)(a) of this section, the department may engage experts, including:

(I) The chief medical officer appointed pursuant to section 25-1-105 or the designee of the chief medical officer;

(II) The state toxicologist or the designee of the state toxicologist;

(III) An epidemiologist with expertise in designing and conducting observational studies or clinical trials;

(IV) A clinician familiar with dosage forms and routes of administration of relevant products;

(V) A medical toxicologist; and

(VI) A pharmacologist with expertise in drug development.

(2) As used in this section, "state toxicologist" means the director of the toxicology and environmental epidemiology office, or a successor office, in the department of public health and environment.

(3) This section is repealed, effective July 1, 2025.

Source: L. 2023: Entire section added, (SB 23-271), ch. 444, p. 2609, § 4, effective June 7.

44-10-209. Classes of marijuana-derived cannabinoids and compounds - definitions - privileges - prohibitions - rule-making - rules. (1) **Legislative declaration.** The general assembly finds and declares that:

(a) The regulation of marijuana-derived potentially intoxicating cannabinoids and intoxicating cannabinoids, and the regulation of premises where potentially intoxicating cannabinoids and intoxicating cannabinoids are manufactured, packaged, and sold in accordance with this article 10 and rules promulgated under this article 10:

(I) Is necessary to protect the public health; and

(II) Will benefit consumers by ensuring that the manufacture, sale, and distribution of marijuana-derived potentially intoxicating cannabinoids and intoxicating cannabinoid products are regulated in a way to promote public health; and

(b) The taxation of marijuana-derived potentially intoxicating cannabinoids and intoxicating cannabinoids must be addressed to ensure both compliance with Colorado voters' intent and equitable economic treatment.

(2) **Definitions.** As used in this section, unless the context otherwise requires:

(a) "Hemp" has the meaning set forth in section 35-61-101 (7).

(b) (I) "Semi-synthetic cannabinoid" means a substance that is created by a chemical reaction that converts one cannabinoid extracted from a cannabis plant directly into a different cannabinoid.

(II) "Semi-synthetic cannabinoid" includes cannabinoids, such as cannabinol that was produced by the conversion of cannabidiol.

(III) "Semi-synthetic cannabinoid" does not include cannabinoids produced via decarboxylation of naturally occurring acidic forms of cannabinoids, such as tetrahydrocannabinolic acid, into the corresponding neutral cannabinoid, such as THC, through the use of heat or light, without the use of chemical reagents or catalysts, and that results in no other chemical change.

(c) (I) "Synthetic cannabinoid" means a cannabinoid-like compound that was produced by using chemical synthesis, chemical modification, or chemical conversion, including by using in-vitro biosynthesis or other bioconversion of such a method.

(II) "Synthetic cannabinoid" does not include:

(A) A compound produced through the decarboxylation of naturally occurring cannabinoids from their acidic forms; or

(B) A semi-synthetic cannabinoid.

(d) (I) "Tetrahydrocannabinol" or "THC" means the substance contained in the plant cannabis species, in the resinous extracts of the cannabis species, or a carboxylic acid of, derivative of, salt of, isomer of, or salt or acid of an isomer of these substances.

(II) "Tetrahydrocannabinol" or "THC" includes:

(A) Delta-10 THC and its isomers;

(B) Delta-9 THC and its isomers;

(C) Delta-8 THC and its isomers;

(D) Delta-7 THC and its isomers;

(E) Delta-6a, 10a THC and its isomers; and

(F) Exo-tetrahydrocannabinol.

(III) "Tetrahydrocannabinol" or "THC" may also contain:

(A) Products of any of the compounds listed in subsections (2)(d)(II)(A) to (2)(d)(II)(F) of this section; or

(B) Metabolites of any of the compounds listed in subsections (2)(d)(II)(A) to (2)(d)(II)(F) of this section.

(3) **Classification of marijuana-derived compounds and cannabinoids - rules.** (a) Marijuana-derived compounds and cannabinoids are divided into three classifications:

(I) Nonintoxicating cannabinoids;

(II) Potentially intoxicating cannabinoids; and

(III) Intoxicating cannabinoids.

(b) (I) Nonintoxicating cannabinoids include:

(A) Full spectrum hemp extract that contains no more than one and three-fourths milligrams of THC per serving and contains a ratio of cannabidiol to THC of greater than or equal to fifteen to one;

(B) Broad spectrum hemp extract;

(C) Cannabidiol, also known as "CBD";

(D) Tetrahydrocannabivarin, also known as "THCV";

(E) Cannabichromene, also known as "CBC";

(F) Cannabicitran, also known as "CBT";

(G) Cannabicyclol, also known as "CBL";

(H) Cannabielsoin, also known as "CBE";

(I) Cannabigerol, also known as "CBG";

(J) Cannabidivarin, also known as "CBDV"; and

(K) Cannabinol, also known as "CBN".

(II) (A) Nonintoxicating cannabinoids that are derived from hemp may be used as an ingredient in a hemp product or as a finished hemp product in accordance with section 25-5-427 and the rules promulgated under part 4 of article 5 of title 25 or in accordance with this article 10 and any rules promulgated under this article 10.

(B) A retail marijuana product containing a marijuana-derived nonintoxicating cannabinoid as an ingredient is subject to retail marijuana sales tax in accordance with section 39-28.8-202.

(c) (I) A licensee under this article 10 may manufacture, process, transfer, or sell potentially intoxicating cannabinoids that are derived from marijuana in accordance with this article 10 and the rules promulgated under this article 10.

(II) A retail marijuana product containing a marijuana-derived potentially intoxicating cannabinoid as an ingredient is subject to retail marijuana sales tax in accordance with section 39-28.8-202.

(d) (I) Intoxicating cannabinoids include the following in an amount that exceeds the amount established by rule or, if no rule establishes the amount, in any amount:

(A) Delta-10 THC and its isomers;

(B) Delta-9 THC and its isomers;

(C) Delta-8 THC and its isomers;

(D) Delta-7 THC and its isomers;

(E) Delta-6a, 10a THC and its isomers;

(F) Exo-tetrahydrocannabinol;

(G) Metabolites of THC, including 11-hydroxy-THC, 3-hydroxy-THC, or 7-hydroxy-THC;

(H) Hydrogenated forms of THC, including hexahydrocannabinol, hexahydrocannabiphorol, and hexahydrocannabihexol;

(I) Synthetic forms of THC, including dronabinol;

(J) Ester forms of THC, including delta-8 THC-O-acetate, delta-9 THC-O-acetate, and hexahydrocannabinol-O-acetate;

(K) Varin forms of THC, including delta-8 tetrahydrocannabivarin but excluding delta-9 tetrahydrocannabivarin;

(L) Analogues of tetrahydrocannabinols with an alkyl chain of four or more carbon atoms, including tetrahydrocannabiphorols, tetrahydrocannabioctyls, tetrahydrocannabihexols, or tetrahydrocannabutols; and

(M) Any combination of the compounds, including hexahydrocannabiphorol-O-ester, listed in this subsection (3)(d)(I).

(II) (A) A person licensed under this article 10 may use an intoxicating cannabinoid that is derived from marijuana as an ingredient in a regulated marijuana product or as a finished regulated marijuana product in accordance with this article 10 and the rules promulgated under this article 10.

(B) A retail marijuana product containing a marijuana-derived intoxicating cannabinoid as an ingredient is subject to retail marijuana sales tax in accordance with section 39-28.8-202.

(e) (I) A person shall not manufacture, produce, sell, or offer to sell a synthetic cannabinoid or a product containing a synthetic cannabinoid unless authorized by rule. If synthetic cannabinoids are permitted by rule, the state licensing authority, in coordination with the department of public health and environment, shall promulgate rules providing standards and requirements for the manufacture and production of synthetic cannabinoids in Colorado. The rules must include a requirement that marijuana-derived products manufactured or produced in Colorado that contain a semi-synthetic or synthetic cannabinoid as an ingredient are labeled in accordance with rules promulgated pursuant to this article 10.

(II) The state licensing authority may promulgate rules that are necessary for the fair, impartial, and comprehensive administration of this section.

(III) A person licensed under this article 10 that produces semi-synthetic cannabinoids shall comply with the production, testing, and labeling requirements established by rule of the state licensing authority.

(f) The state licensing authority, in coordination with the department of public health and environment, may promulgate rules to:

(I) Classify a marijuana-derived compound or cannabinoid that is not classified in this subsection (3);

(II) Reclassify a marijuana-derived compound or cannabinoid classified in this subsection (3) if:

(A) The state has adopted or federal law has established a process to review and approve marijuana-derived compounds or cannabinoids;

(B) The review and approval process described in subsection (3)(f)(II)(A) of this section evaluates the intoxicating potential of the marijuana-derived compound or cannabinoid; and

(C) The reclassification is based on the findings of the process and evaluation described in subsections (3)(f)(II)(A) and (3)(f)(II)(B) of this section.

(g) To reclassify a marijuana-derived compound or cannabinoid, under subsection (3)(f) of this section, the reclassification must:

(I) Be supported by peer-reviewed research or clinical trials establishing to a reasonable degree of scientific certainty that the marijuana-derived compound or cannabinoid or the product containing a marijuana-derived compound or cannabinoid should be reclassified; or

(II) Be based on a threat to human health, including substantial reports of intoxication or adverse health event reports.

(4) **Rules.** In addition to any powers listed in this section, the state licensing authority may promulgate rules:

(a) Necessary to authorize or prohibit chemical modification, conversion, or synthetic derivation of cannabinoids or marijuana-derived compounds, unless otherwise permitted by this article 10 and the rules promulgated under this article 10; or

(b) Authorizing, prohibiting, or regulating marijuana-derived ingredients in medical or retail marijuana products that are compounds other than cannabinoids.

Source: L. 2023: Entire section added, (SB 23-271), ch. 444, p. 2610, § 4, effective June 7.

PART 3

44-10-301. Local licensing authority - applications - licenses. (1) A local licensing authority may issue only the following medical marijuana licenses upon payment of the fee and compliance with all local licensing requirements to be determined by the local licensing authority:

(a) A medical marijuana store license;

(b) A medical marijuana cultivation facility license;

(c) A medical marijuana products manufacturer license;

(d) A medical marijuana testing facility license;

(e) A medical marijuana transporter license;

(f) A medical marijuana business operator license;

(g) A marijuana research and development license; and

(h) A medical marijuana delivery permit.

(2) (a) (I) A local licensing authority shall not issue a local license to a medical marijuana business within a municipality, city and county, or the unincorporated portion of a county unless the governing body of the municipality or city and county has adopted an ordinance, or the governing body of the county has adopted a resolution, containing specific standards for license issuance, or if no such ordinance or resolution is adopted prior to July 1, 2012, then a local licensing authority shall consider the minimum licensing requirements of this part 3 when issuing a license.

(II) In addition to all other standards applicable to the issuance of licenses under this article 10, the local governing body may adopt additional standards for the issuance of medical marijuana store, medical marijuana cultivation facility, or medical marijuana products manufacturer licenses consistent with the intent of this article 10 that may include, but need not be limited to:

(A) Distance restrictions between premises for which local licenses are issued;

(B) Reasonable restrictions on the size of an applicant's licensed premises; and

(C) Any other requirements necessary to ensure the control of the premises and the ease of enforcement of the terms and conditions of the license.

(b) An application for a license specified in subsection (1) of this section must be filed with the state licensing authority and the appropriate local licensing authority on forms provided by the state licensing authority and must contain such information as the state licensing authority may require and any forms as the local licensing authority may require. Each application must be verified by the oath or affirmation of the persons prescribed by the state licensing authority.

(c) An applicant shall file, at the time of application for a license, plans and specifications for the interior of the building if the building to be occupied is in existence at the time. If the building is not in existence, the applicant shall file a plot plan and a detailed sketch for the interior and submit an architect's drawing of the building to be constructed. In its discretion, the local or state licensing authority may impose additional requirements necessary for the approval of the application.

(3) **Retail marijuana businesses.** (a) When the state licensing authority receives an application for original licensing or renewal of an existing license or permit for any retail marijuana business, the state licensing authority shall provide, within seven days, a copy of the application to the local jurisdiction in which the business is to be located unless the local

jurisdiction has prohibited the operation of retail marijuana businesses pursuant to section 16 (5)(f) of article XVIII of the state constitution. The local jurisdiction shall determine whether the application complies with local restrictions on time, place, manner, and the number of retail marijuana businesses. The local jurisdiction shall inform the state licensing authority whether the application complies with local restrictions on time, place, manner, and the number of retail marijuana businesses.

(b) A local jurisdiction may impose a separate local licensing requirement for retail marijuana businesses as a part of its restrictions on time, place, manner, and the number of marijuana businesses. A local jurisdiction may decline to impose any local licensing requirements, but a local jurisdiction shall notify the state licensing authority that it either approves or denies each application forwarded to it.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2857, § 5, effective January 1, 2020.

Editor's note: This section is similar to former §§ 44-11-301 and 44-12-301 as they existed prior to 2020.

44-10-302. Local license fees - medical marijuana. (1) Each application for a local license for a medical marijuana business provided for in section 44-10-301 (1) filed with a local licensing authority must be accompanied by an application fee in an amount determined by the local licensing authority.

(2) License fees as determined by the local licensing authority must be paid to the treasurer of the municipality, city and county, or county where the licensed premises is located in advance of the approval, denial, or renewal of the license.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2859, § 5, effective January 1, 2020.

Editor's note: This section is similar to former § 44-1-503 as it existed prior to 2020.

44-10-303. Public hearing notice - posting and publication. (1) **Medical marijuana business licenses.** (a) Upon receipt of an application for a local license for a medical marijuana business, except an application for renewal or for transfer of ownership, a local licensing authority may schedule a public hearing upon the application to be held not less than thirty days after the date of the application. If the local licensing authority schedules a hearing for a medical marijuana business license application, it shall post and publish public notice thereof not less than ten days prior to the hearing. The local licensing authority shall give public notice by posting a sign in a conspicuous place on the license applicant's premises for which license application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

(b) Public notice given by posting must include a sign of suitable material, not less than twenty-two inches wide and twenty-six inches high, composed of letters not less than one inch in height and stating the type of license applied for, the date of the application, the date of the hearing, the name and address of the applicant, and such other information as may be required to

fully apprise the public of the nature of the application. The sign must contain the names and addresses of the officers, directors, or manager of the facility to be licensed.

(c) Public notice given by publication must contain the same information as that required for signs.

(d) If the building in which medical marijuana is to be cultivated, manufactured, or distributed is in existence at the time of the application, a sign posted as required in subsections (1) and (2) of this section must be placed so as to be conspicuous and plainly visible to the general public. If the building is not constructed at the time of the application, the applicant shall post a sign at the premises upon which the building is to be constructed in such a manner that the notice is conspicuous and plainly visible to the general public.

(2) **Medical marijuana application review.** (a) When conducting its application review, the state licensing authority may advise the local licensing authority of any items that it finds that could result in the denial of the license application. Upon correction of the noted discrepancies, if the correction is permitted by the state licensing authority, the state licensing authority shall notify the local licensing authority of its conditional approval of the license application amendments. The state licensing authority shall then issue the applicant's state license, which is conditioned upon local authority approval.

(b) All applications submitted for review must be accompanied by all applicable state and local license and application fees. All application fees provided by an applicant must be retained by the state licensing authority, and a local licensing authority may retain the applicant's application fees.

(3) **Retail marijuana business licenses.** (a) If a local jurisdiction issues local licenses for a retail marijuana business, a local jurisdiction may schedule a public hearing on the application. If the local jurisdiction schedules a hearing, it shall post and publish public notice thereof not less than ten days prior to the hearing. The local jurisdiction shall give public notice by posting a sign in a conspicuous place on the license applicant's premises for which a local license application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

(b) If a local jurisdiction does not issue local retail marijuana business licenses, the local jurisdiction may give public notice of the state license application by posting a sign in a conspicuous place on the state license applicant's premises for which a state license application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2859, § 5, effective January 1, 2020. **L. 2023:** (2)(b) amended, (SB 23-199), ch. 353, p. 2120, § 2, effective August 7.

Editor's note: This section is similar to former §§ 44-11-302 and 44-12-302 as they existed prior to 2020.

44-10-304. Results of investigation - decision of authorities - medical marijuana. (1) Not less than five days prior to the date of the public hearing authorized in section 44-10-303, the local licensing authority shall make known its findings, based on its investigation, in writing

to the applicant and other parties of interest. The local licensing authority has authority to refuse to issue a license provided for in this section for good cause, subject to judicial review.

(2) Before entering a decision approving or denying the application for a local medical marijuana business license, the local licensing authority may consider, except where this article 10 specifically provides otherwise, the facts and evidence adduced as a result of its investigation, as well as any other facts pertinent to the type of license for which application has been made, including the number, type, and availability of medical marijuana stores, medical marijuana cultivation facilities, or medical marijuana products manufacturers located in or near the premises under consideration, and any other pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed.

(3) Within thirty days after the public hearing or completion of the application investigation, a local licensing authority shall issue its decision approving or denying an application for local licensure. The decision must be in writing and must state the reasons for the decision. The local licensing authority shall send a copy of the decision by certified mail to the applicant at the address shown in the application.

(4) After approval of an application, the local licensing authority shall not issue a local license until the building in which the business to be conducted is ready for occupancy with such furniture, fixtures, and equipment in place as are necessary to comply with the applicable provisions of this article 10, and then only after the state or local licensing authority has inspected the premises to determine that the applicant has complied with the architect's drawing and the plot plan and detailed sketch for the interior of the building submitted with the application pursuant to section 44-10-301 (4).

(5) After approval of an application for conditional state licensure, the state licensing authority shall notify the local licensing authority of such approval. After approval of an application for local licensure, the local licensing authority shall notify the state licensing authority of such approval, and the state licensing authority shall investigate and either approve or disapprove the application for state licensure.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2860, § 5, effective January 1, 2020.

Editor's note: This section is similar to former § 44-11-303 as it existed prior to 2020.

44-10-305. State licensing authority - application and issuance procedures. (1) Applications for a state medical marijuana business or retail marijuana business license under the provisions of this article 10 must be made to the state licensing authority on forms prepared and furnished by the state licensing authority and must set forth such information as the state licensing authority may require to enable the state licensing authority to determine whether a state medical marijuana business or retail marijuana business license should be granted. The information must include the name and address of the applicant, disclosures required by section 44-10-309, and all other information deemed necessary by the state licensing authority. Each application must be verified by the oath or affirmation of such person or persons as the state licensing authority may prescribe.

(2) (a) The state licensing authority shall issue a state license to a medical marijuana store, a medical marijuana cultivation facility, a medical marijuana products manufacturer, a

medical marijuana testing facility, a medical marijuana transporter, a medical marijuana business operator, or a marijuana research and development facility pursuant to this section upon satisfactory completion of the applicable criminal history background check associated with the application, and the state license is conditioned upon local licensing authority approval. A license applicant is prohibited from operating a licensed medical marijuana business without both state and local licensing authority approval. The denial of an application by the local licensing authority is considered as a basis for the state licensing authority to revoke the state-issued license.

(b) (I) (A) The state licensing authority may issue a state license to an applicant pursuant to this section for a retail marijuana business upon completion of the applicable criminal history background check associated with the application, and the state license is conditioned upon local jurisdiction approval.

(B) A license applicant is prohibited from operating a licensed retail marijuana business without state and local jurisdiction approval. If an application is denied by the local licensing authority, the state licensing authority shall revoke the state-issued license.

(C) If the applicant does not receive local jurisdiction approval within one year from the date of state licensing authority approval, the state license expires. The state licensing authority may renew a license that has not yet received local jurisdiction approval prior to the expiration of that license if an applicant submits a renewal application pursuant to section 44-10-314 and demonstrates to the state licensing authority, in a manner determined by the state licensing authority, why local jurisdiction approval has not yet been obtained or a local license has not yet been issued. The state licensing authority may renew a license for up to one year, and the renewed state license is conditioned upon local jurisdiction approval.

(II) Repealed.

(3) Nothing in this article 10 preempts or otherwise impairs the power of a local government to enact ordinances or resolutions concerning matters authorized to local governments.

(4) Prior to accepting an application for a license, registration, or permit, the state licensing authority shall inform the applicant that having a medical marijuana or retail marijuana license and working in the medical marijuana or retail marijuana industry may have adverse federal immigration consequences.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2861, § 5, effective January 1, 2020; (2)(b) amended, (HB 19-1230), ch. 340, p. 3119, § 15, effective January 1, 2020. **L. 2023:** (2)(b)(I) amended, (SB 23-199), ch. 353, p. 2121, § 3, effective August 7.

Editor's note: (1) This section is similar to former §§ 44-11-304 and 44-12-303 (1) as they existed prior to 2020.

(2) Subsection (2)(b)(II)(B) provided for the repeal of subsection (2)(b)(II), effective July 1, 2021. (See L. 2019, p. 3119.)

44-10-306. Denial of application. (1) The state licensing authority shall deny a state license if the premises on which the applicant proposes to conduct its business does not meet the requirements of this article 10 or for reasons set forth in section 44-10-103 (17)(c) or 44-10-305,

and the state licensing authority may refuse or deny a license, renewal, reinstatement, or initial license for good cause as defined by section 44-10-103 (17)(a) or (17)(b).

(2) If the state licensing authority denies a state license pursuant to subsection (1) of this section, the applicant is entitled to a hearing pursuant to section 24-4-104 (9) and judicial review pursuant to section 24-4-106. The state licensing authority shall provide written notice of the grounds for denial of the state license to the applicant and to the local licensing authority at least fifteen days prior to the hearing.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2862, § 5, effective January 1, 2020.

Editor's note: This section is similar to former §§ 44-11-305 and 44-12-304 as it existed prior to 2020.

44-10-307. Persons prohibited as licensees - definition. (1) A license provided by this article 10 shall not be issued to or held by:

(a) A person until the fee therefore has been paid;

(b) An individual whose criminal history indicates that he or she is not of good moral character after considering the factors in section 24-5-101 (2);

(c) A person other than an individual if the criminal history of any of its controlling beneficial owners indicates that a controlling beneficial owner is not of good moral character after considering the factors in section 24-5-101 (2);

(d) A person under twenty-one years of age;

(e) A person licensed pursuant to this article 10 who, during a period of licensure, or who, at the time of application, has failed to:

(I) File any tax return with a taxing agency related to a medical marijuana business or retail marijuana business;

(II) Pay any taxes, interest, or penalties due as determined by final agency action related to a medical marijuana business or retail marijuana business;

(f) A person who fails to meet qualifications for licensure that directly and demonstrably relate to the operation of a medical marijuana business;

(g) (I) A person who was convicted of a felony in the three years immediately preceding his or her application date or who is currently subject to a sentence for a felony conviction; except that, for a person applying to be a social equity licensee, a marijuana conviction shall not be the sole basis for license denial; or

(II) A person who is currently subject to a deferred judgment or sentence for a felony;

(h) A person who employs another person at a medical marijuana business or retail marijuana business who has not submitted fingerprints for a criminal history record check or whose criminal history record check reveals that the person is ineligible;

(i) A sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee of the state licensing authority or a local licensing authority;

(j) A person applying for a license for a location that is currently licensed as a retail food establishment;

(k) A publicly traded entity that does not constitute a publicly traded corporation as defined in this article 10;

(l) A person that is or has a controlling beneficial owner, passive beneficial owner, or indirect financial interest holder that is organized or formed under the laws of a country determined by the United States secretary of state to have repeatedly provided support for acts of international terrorism or is included among the list of "covered countries" in section 1502 of the federal "Dodd-Frank Wall Street Reform and Consumer Protection Act", Pub.L. 111-203;

(m) A person that is or has a controlling beneficial owner that is an "ineligible issuer" pursuant to section 44-10-103 (50)(d)(I);

(n) A person that is or has a controlling beneficial owner that is disqualified as a "bad actor" pursuant to 17 CFR 230.506 (d)(1);

(o) A person that is not a publicly traded corporation that is or has a passive beneficial owner or indirect financial interest holder that is disqualified as a "bad actor" pursuant to 17 CFR 230.506 (d)(1);

(p) A person that is a publicly traded corporation that is or has a nonobjecting passive beneficial owner or indirect financial interest holder that is disqualified as a "bad actor" pursuant to 17 CFR 230.506 (d)(1); or

(q) A person that is or has a controlling beneficial owner, passive beneficial owner, or indirect financial interest holder that is prohibited from engaging in transactions pursuant to this article 10 due to its designation on the "Specially Designated Nationals and Blocked Persons" list maintained by the federal office of foreign assets control.

(2) The state licensing authority may deny or revoke a license if the applicant or licensee's criminal character or criminal record poses a threat to the regulation or control of marijuana.

(3) A medical marijuana license provided by this article 10 shall not be issued to or held by:

(a) A licensed physician making patient recommendations; or

(b) A person whose authority to be a primary caregiver as defined in section 25-1.5-106 (2) has been revoked by the state health agency.

(4) (a) In investigating the qualifications of an applicant or a licensee, the state and local licensing authorities may have access to criminal history record information furnished by a criminal justice agency subject to any restrictions imposed by such agency. In the event the state or local licensing authority considers the applicant's criminal history record, the state or local licensing authority shall also consider any information provided by the applicant regarding such criminal history record, including but not limited to evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the period of time between the applicant's last criminal conviction and the consideration of the application for a state license.

(b) As used in subsection (4)(a) of this section, "criminal justice agency" means any federal, state, or municipal court or any governmental agency or subunit of such agency that administers criminal justice pursuant to a statute or executive order and that allocates a substantial part of its annual budget to the administration of criminal justice.

(c) At the time of filing an application for issuance or renewal of a state medical marijuana business license or retail marijuana business license, an applicant shall submit a set of his or her fingerprints and file personal history information concerning the applicant's qualifications for a state license on forms prepared by the state licensing authority. The state or local licensing authority or local jurisdiction shall submit the fingerprints to the Colorado bureau

of investigation for the purpose of conducting fingerprint-based criminal history record checks. The Colorado bureau of investigation shall forward the fingerprints to the federal bureau of investigation for the purpose of conducting fingerprint-based criminal history record checks. When the results of a fingerprint-based criminal history record check reveal a record of arrest without a disposition, the state or local licensing authority or local jurisdiction shall require an applicant or a license holder to submit to a name-based judicial record check, as defined in section 22-2-119.3 (6)(d). The state or local licensing authority or local jurisdiction shall use the information resulting from the fingerprint-based criminal history record check to investigate and determine whether an applicant is qualified to hold a state or local license pursuant to this article 10. The state or local licensing authority or local jurisdiction may verify any of the information an applicant is required to submit.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2862, § 5, effective January 1, 2020. **L. 2020:** (1)(g)(I) amended, (HB 20-1424), ch. 184, p. 844, § 4, effective September 14. **L. 2021:** (1)(n), (1)(o), and (1)(p) amended, (HB 21-1178), ch. 130, p. 524, § 4, effective September 7. **L. 2022:** (4)(c) amended, (HB 22-1270), ch. 114, p. 535, § 57, effective April 21.

Editor's note: This section is similar to former §§ 44-11-306 and 44-12-305 as they existed prior to 2020.

44-10-308. Business and owner requirements - legislative declaration - definition - rules. (1) (a) The general assembly hereby finds and declares that:

(I) Medical marijuana businesses and retail marijuana businesses need to be able to access capital in order to effectively grow their businesses and remain competitive in the marketplace;

(II) The current regulatory structure for regulated marijuana and regulated marijuana products creates a substantial barrier to investment from out-of-state interests and publicly traded corporations;

(III) There is insufficient capital in the state to properly fund the capital needs of Colorado medical marijuana businesses and retail marijuana businesses;

(IV) Colorado medical marijuana businesses and retail marijuana businesses need to have ready access to capital from investors from outside of Colorado;

(IV.5) Under certain circumstances, permitting publicly traded corporations to hold an interest in medical marijuana businesses will benefit Colorado's medical marijuana market;

(V) Providing access to legitimate sources of capital helps prevent the opportunity for those who engage in illegal activity to gain entry into the state's regulated medical and retail marijuana market;

(VI) Publicly traded corporations offering securities for investment in medical marijuana businesses or retail marijuana businesses must tell the public the truth about their business, the securities they are selling, and the risks involved with investing in medical marijuana businesses or retail marijuana businesses, and persons that sell and trade securities related to medical marijuana businesses or retail marijuana businesses are prohibited from engaging in deceit, misrepresentations, and other fraud in the sale of the securities; and

(VII) Recognizing that participation by publicly traded corporations in Colorado's medical marijuana industry and retail marijuana industry creates an increased need to assess barriers of entry for minority- and woman-owned businesses, with such efforts being made to identify solutions to arrive at a greater balance and for further equity for minority- and woman-owned businesses, and in a manner that is consistent with the public safety and enforcement goals as stated in this subsection (1), it is therefore of substantive importance to address the lack of minority- and woman-owned businesses' inclusion in Colorado's medical marijuana industry and retail marijuana industry, social justice issues associated with marijuana prohibition, suitability issues relating to past convictions for potential licensees, licensing fees, and economic challenges that arise with the application processes.

(b) Therefore, the general assembly is providing a mechanism for Colorado medical marijuana businesses and retail marijuana businesses to access capital from investors in other states and from certain publicly traded corporations pursuant to this article 10.

(2) (Deleted by amendment, L. 2019.)

(3) (a) All natural persons with day-to-day operational control over the business must be Colorado residents.

(b) A person, other than an individual, that is a medical marijuana business or retail marijuana business or a controlling beneficial owner shall appoint and continuously maintain a registered agent that satisfies the requirements of section 7-90-701. The medical marijuana business or retail marijuana business shall inform the state licensing authority of a change in the registered agent within ten days after the change.

(4) (a) Effective January 1, 2021, a natural person who qualifies as a social equity licensee may apply for any regulated marijuana business license or permit, including accelerator store, accelerator cultivator, and accelerator manufacturer licenses, issued pursuant to this article 10. A natural person qualifies as a social equity licensee if the person meets the following criteria, in addition to any criteria established by rule of the state licensing authority:

(I) Is a Colorado resident;

(II) Has not been the beneficial owner of a license subject to disciplinary or legal action from the state resulting in the revocation of a license issued pursuant to this article 10;

(III) Has demonstrated at least one of the following:

(A) The applicant has resided for at least fifteen years, between the years 1980 and 2010, in a census tract designated by the office of economic development and international trade as an opportunity zone or designated as a disproportionate impacted area, as defined by rule pursuant to section 44-10-203 (1)(j);

(B) The applicant or the applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was arrested for a marijuana offense, convicted of a marijuana offense, or subject to civil asset forfeiture related to a marijuana investigation; or

(C) The applicant's household income in the year prior to application did not exceed an amount determined by rule of the state licensing authority; and

(IV) The social equity licensee, or, collectively, one or more social equity licensees, holds at least fifty-one percent of the beneficial ownership of the regulated marijuana business license.

(b) This subsection (4) applies to a natural person qualified as a social equity licensee and who submits an application for a finding of suitability on or before February 1, 2025.

(5) A person who meets the criteria in this section for a social equity licensee, pursuant to rule and agency discretion, may be eligible for incentives available through the department of revenue or office of economic development and international trade, including but not limited to a reduction in application or license fees.

(6) Except as provided in subsection (4) of this section, effective February 1, 2025, a natural person who qualifies as a social equity licensee may apply for any regulated marijuana business license or permit pursuant to this article 10. A natural person qualifies as a social equity licensee if, in addition to any criteria established by rule, the natural person:

(a) Has not been the beneficial owner of a license subject to disciplinary or civil action from the state licensing authority resulting in the revocation of a license issued pursuant to this article 10;

(b) Has demonstrated at least one of the following:

(I) The applicant has resided:

(A) For at least any five years of the thirty-year period prior to the application and for which data is available, in a census tract designated by the office of economic development and international trade as an opportunity zone or designated as a disproportionate impacted area as defined by rule pursuant to section 44-10-203 (1)(j);

(B) For at least any five of the thirty years prior to the application, in housing with funding provided pursuant to section 8 or 9 of the federal "United States Housing Act of 1937", 42 U.S.C. secs. 1437f and 1437g, as amended; or

(C) For at least any five years between 1980 and 2021, in housing with funding from federal low-income housing tax credits, Colorado affordable housing tax credits, or funding provided pursuant to any federal, state, or local program that restricts maximum rents for natural persons of low or moderate income that, at the time of residence, was subject to a use restriction that was monitored to ensure compliance by the federal government, the state government, a county government, or a municipal government, or by a political subdivision or designated agency of the federal government, the state government, a county government, or a municipal government;

(II) The applicant or the applicant's spouse, parent, or legal guardian was arrested for and convicted of a marijuana offense;

(III) The applicant's sibling or child or a minor in the applicant's guardianship was arrested for or convicted of a marijuana offense, and:

(A) The applicant's sibling who was arrested for or convicted of a marijuana offense or child who was arrested for or convicted of a marijuana offense or a minor in the applicant's guardianship who was arrested for or convicted of a marijuana offense resided in a disproportionate impacted area, as defined by rule pursuant to section 44-10-203 (1)(j), for five years between 1980 and 2021; or

(B) The applicant's sibling who was arrested for or convicted of a marijuana offense or child who was arrested for or convicted of a marijuana offense or a minor in the applicant's guardianship who was arrested for or convicted of a marijuana offense has received assistance from at least one of the programs listed in subsection (6)(b)(IV) of this section for at least five years between 1980 and 2021; or

(IV) The applicant has received assistance from at least one of the following programs for at least five of the ten years prior to submitting an application:

(A) The low-income energy assistance program created in article 8.7 of title 40;

(B) The supplemental nutrition assistance program described in part 3 of article 2 of title 26;

(C) Temporary assistance for needy families, as defined in section 26-2-703 (19);

(D) The special supplemental nutrition program for women, infants, and children, created pursuant to 42 U.S.C. sec. 1786; or

(E) The "Colorado Medical Assistance Act", articles 4 to 6 of title 25.5; and

(c) Holds at least fifty-one percent of a beneficial ownership of a regulated marijuana business license alone or collectively with at least one other social equity licensee.

(7) (a) For the purposes of subsection (6) of this section, an applicant is not eligible to be a social equity licensee if the applicant is a controlling beneficial owner of more than three retail marijuana store licenses, medical marijuana store licenses, retail marijuana cultivation facility licenses, or medical marijuana cultivation facility licenses, unless the listed licenses for which the applicant is a controlling beneficial owner are each a social equity license.

(b) For the purposes of subsection (7)(a) of this section, co-located retail marijuana store and medical marijuana store licenses, or co-located retail marijuana cultivation facility and medical marijuana cultivation facility licenses, constitute one license.

(8) (a) Subsection (6) of this section applies to a natural person qualified as a social equity licensee and who submits an application for a finding of suitability on or after February 1, 2025.

(b) Subsection (6) of this section does not apply to a natural person qualified as a social equity licensee and who submits an application for a finding of suitability on or before February 1, 2025.

(9) A natural person who meets the criteria in this section for a social equity license is eligible for incentives available through the department of revenue or office of economic development and international trade. An incentive may include a reduction in application or license fees. The state licensing authority may promulgate rules to create incentives.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2865, § 5, effective January 1, 2020. **L. 2020:** (4) and (5) added, (HB 20-1424), ch. 184, p. 844, § 5, effective September 14. **L. 2021:** (1)(a)(VII) amended, (HB 21-1178), ch. 130, p. 525, § 5, effective September 7. **L. 2024:** (4) amended and (6) to (9) added, (SB 24-076), ch. 410, p. 2827, § 3, effective August 7.

Editor's note: (1) This section is similar to former §§ 44-11-307 and 44-12-306 as they existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-309. Business owner and financial interest disclosure requirements. (1) Applicants for the issuance of a state license shall disclose to the state licensing authority the following:

(a) A complete and accurate organizational chart of the medical marijuana business or retail marijuana business reflecting the identity and ownership percentages of its controlling beneficial owners;

(b) The following information regarding all controlling beneficial owners of the medical marijuana business or retail marijuana business:

(I) If the controlling beneficial owner is a publicly traded corporation, the applicant shall disclose the controlling beneficial owners' managers and any beneficial owners that directly or indirectly beneficially own ten percent or more of the owner's interest in the controlling beneficial owner.

(II) If the controlling beneficial owner is not a publicly traded corporation and is not a qualified private fund, the applicant shall disclose the controlling beneficial owner's managers and any beneficial owners that directly or indirectly beneficially own ten percent or more of the owner's interest in the controlling beneficial owner.

(III) If the controlling beneficial owner is a qualified private fund, the applicant shall disclose a complete and accurate organizational chart of the qualified private fund reflecting the identity and ownership percentages of the qualified private fund's managers, investment advisers, investment adviser representatives, any trustee or equivalent, and any other person that controls the investment in, or management or operations of, the medical marijuana business or retail marijuana business.

(IV) If the controlling beneficial owner is a natural person, the applicant shall disclose the natural person's identifying information.

(c) A person that is both a passive beneficial owner and an indirect financial interest holder in the medical marijuana business or retail marijuana business; and

(d) Any indirect financial interest holder that holds two or more indirect financial interests in the medical marijuana business or retail marijuana business or that is contributing over fifty percent of the operating capital of the medical marijuana business or retail marijuana business.

(2) The state licensing authority may request that the medical marijuana business or retail marijuana business disclose the following:

(a) Each beneficial owner and affiliate of an applicant, medical marijuana business or retail marijuana business, or controlling beneficial owner that is not a publicly traded corporation or a qualified private fund; and

(b) Each affiliate of a controlling beneficial owner that is a qualified private fund.

(3) For reasonable cause, the state licensing authority may require disclosure of:

(a) A complete and accurate list of each nonobjecting beneficial interest owner of an applicant, medical marijuana business or retail marijuana business, or controlling beneficial owner that is a publicly traded corporation;

(b) Passive beneficial owners of the medical marijuana business or retail marijuana business, and for any passive beneficial owner that is not a natural person, the members of the board of directors, general partners, managing members, or managers and ten percent or more owners of the passive beneficial owner;

(c) A list of each beneficial owner in a qualified private fund that is a controlling beneficial owner;

(d) All indirect financial interest holders of the medical marijuana business or retail marijuana business, and for any indirect financial interest holder that is not a natural person and ten percent or more beneficial owners of the indirect financial interest holder.

(4) An applicant or medical marijuana business or retail marijuana business that is not a publicly traded corporation shall affirm under penalty of perjury that it exercised reasonable care

to confirm that its passive beneficial owners, indirect financial interest holders, and qualified institutional investors are not persons prohibited pursuant to section 44-10-307, or otherwise restricted from holding an interest under this article 10. An applicant's or medical marijuana business's or retail marijuana business's failure to exercise reasonable care is a basis for denial, fine, suspension, revocation, or other sanction by the state licensing authority.

(5) An applicant or medical marijuana business or retail marijuana business that is a publicly traded corporation shall affirm under penalty of perjury that it exercised reasonable care to confirm that its nonobjecting passive beneficial owners, indirect financial interest holders, and qualified institutional investors are not persons prohibited pursuant to section 44-10-307, or otherwise restricted from holding an interest under this article 10. An applicant's or medical marijuana business's or retail marijuana business's failure to exercise reasonable care is a basis for denial, fine, suspension, revocation, or other sanction by the state licensing authority.

(6) This section does not restrict the state licensing authority's ability to reasonably request information or records at renewal or as part of any other investigation following initial licensure of a medical marijuana business or retail marijuana business.

(7) The securities commissioner may, by rule or order, require additional disclosures if such information is full and fair with respect to the investment or in the interest of investor protection.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2868, § 5, effective January 1, 2020.

44-10-310. Business owner and financial interest suitability requirements. (1) This section applies to all persons required to submit a finding of suitability.

(2) Any person intending to become a controlling beneficial owner of any medical marijuana business or retail marijuana business, except as otherwise provided in section 44-10-312 (4), shall first submit a request to the state licensing authority for a finding of suitability or an exemption from an otherwise required finding of suitability.

(3) For reasonable cause, any other person that was disclosed or that should have been disclosed pursuant to section 44-10-309, including but not limited to a passive beneficial owner, shall submit a request for a finding of suitability.

(4) Failure to provide all requested information in connection with a request for a finding of suitability is grounds for denial of that finding of suitability.

(5) Failure to receive all required findings of suitability is grounds for denial of an application or for suspension, revocation, or other sanction against the license by the state licensing authority. For initial applications, the finding of suitability shall be required prior to submitting the application for licensure.

(6) Any person required to obtain a finding of suitability shall do so on forms provided by the state licensing authority, and the forms must contain such information as the state licensing authority may require. Each suitability application must be verified by the oath or affirmation of the persons prescribed by the state licensing authority.

(7) A person requesting a finding of suitability shall provide the state licensing authority with a deposit to cover the direct and indirect costs of any investigation necessary to determine any required finding of suitability unless otherwise established by rule. The state licensing

authority may make further rules regarding the deposit and direct and indirect costs that must be billed against the deposit, unless otherwise established by rule.

(8) When determining whether a person is suitable or unsuitable for licensure, the state licensing authority may consider the person's criminal character or record, licensing character or record, or financial character or record.

(9) A person that would otherwise be required to obtain a finding of suitability may request an exemption from the state licensing authority as determined by rule.

(10) Absent reasonable cause, the state licensing authority shall approve or deny a request for a finding of suitability within one hundred twenty days from the date of submission of the request for such finding.

(11) The state licensing authority may deny, suspend, revoke, fine, or impose other sanctions against a person's license issued pursuant to this article 10 if the state licensing authority finds the person or the person's controlling beneficial owner, passive beneficial owner, or indirect financial interest holder to be unsuitable pursuant to this section.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2870, § 5, effective January 1, 2020.

44-10-311. Restrictions for applications for new licenses. (1) The state or a local licensing authority shall not receive or act upon an application for the issuance of a state or local medical marijuana business license pursuant to this article 10:

(a) If the application for a state or local license concerns a particular location that is the same as or within one thousand feet of a location for which, within the two years immediately preceding the date of the application, the state or a local licensing authority denied an application for the same class of license due to the nature of the use or other concern related to the location;

(b) Until it is established that the applicant is, or will be, entitled to possession of the premises for which application is made under a lease, rental agreement, or other arrangement for possession of the premises or by virtue of ownership of the premises;

(c) For a location in an area where the cultivation, manufacture, and sale of medical marijuana as contemplated is not permitted under the applicable zoning laws of the municipality, city and county, or county;

(d) (I) If the building in which medical marijuana is to be sold is located within one thousand feet of a school; an alcohol or drug treatment facility; the principal campus of a college, university, or seminary; or a residential child care facility. The provisions of this section do not affect the renewal or reissuance of a license once granted or apply to licensed premises located or to be located on land owned by a municipality, nor do the provisions of this section apply to an existing licensed premises on land owned by the state or apply to a license in effect and actively doing business before said principal campus was constructed. The local licensing authority of a city and county, by rule or regulation; the governing body of a municipality, by ordinance; and the governing body of a county, by resolution, may vary the distance restrictions imposed by this subsection (1)(d)(I) for a license or may eliminate one or more types of schools, campuses, or facilities from the application of a distance restriction established by or pursuant to this subsection (1)(d)(I).

(II) The distances referred to in this subsection (1)(d) are to be computed by direct measurement from the nearest property line of the land used for a school or campus to the

nearest portion of the building in which medical marijuana is to be sold, using a route of direct pedestrian access.

(III) In addition to the requirements of section 44-10-304 (2), the local licensing authority shall consider the evidence and make a specific finding of fact as to whether the building in which the medical marijuana is to be sold is located within any distance restrictions established by or pursuant to this subsection (1)(d).

(2) The state licensing authority shall not approve an application for the issuance of a state retail marijuana business license pursuant to this article 10 until it is established that the applicant is, or will be, entitled to possession of the premises for which application is made under a lease, rental agreement, or other arrangement for possession of the premises or by virtue of ownership of the premises.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2872, § 5, effective January 1, 2020.

Editor's note: This section is similar to former §§ 44-11-308 and 44-12-307 as they existed prior to 2020.

44-10-312. Transfer of ownership. (1) A state or local license granted under the provisions of this article 10 is not transferable except as provided in this section, but this section does not prevent a change of location as provided in section 44-10-313 (13).

(2) For a transfer of ownership involving a controlling beneficial owner, a license holder shall apply to the state and local licensing authorities on forms prepared and furnished by the state licensing authority. In determining whether to permit a transfer of ownership, the state and local licensing authorities shall consider only the requirements of this article 10, any rules promulgated by the state licensing authority, and any other local restrictions. The local licensing authority or local jurisdiction may hold a hearing on the application for transfer of ownership. The local licensing authority or local jurisdiction shall not hold a hearing pursuant to this subsection (2) until the local licensing authority or local jurisdiction has posted a notice of hearing in the manner described in section 44-10-303 (2) on the licensed premises for a period of ten days and has provided notice of the hearing to the applicant at least ten days prior to the hearing. Any transfer of ownership hearing by the state licensing authority must be held in compliance with the requirements specified in section 44-10-303.

(3) For a transfer of ownership involving a passive beneficial owner, the license holder shall notify the state licensing authority on forms prepared and furnished by the state licensing authority within forty-five days to the extent disclosure is required by section 44-10-309.

(4) A person that becomes a controlling beneficial owner of a publicly traded corporation that is a medical marijuana business or retail marijuana business or that becomes a beneficial owner, through direct or indirect ownership of a controlling beneficial owner, of ten percent or more of a medical marijuana business or retail marijuana business that is a publicly traded corporation must disclose the information required by section 44-10-309 and apply to the state licensing authority for a finding of suitability or exemption from a finding of suitability pursuant to section 44-10-310 within forty-five days after becoming such a controlling beneficial owner. A medical marijuana business or retail marijuana business shall notify each person that is subject to this subsection (4) of its requirements as soon as the medical marijuana business or

retail marijuana business becomes aware of the beneficial ownership triggering the requirement, provided that the obligations of the person subject to this subsection (4) are independent of, and unaffected by, the medical marijuana business's or retail marijuana business's failure to give the notice.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2873, § 5, effective January 1, 2020.

Editor's note: This section is similar to former §§ 44-11-309 and 44-12-308 as they existed prior to 2020.

44-10-313. Licensing in general - rules - repeal. (1) (a) This article 10 authorizes a county, municipality, or city and county to prohibit the operation of a medical marijuana business and to enact reasonable regulations or other restrictions applicable to medical marijuana businesses based on local government zoning, health, safety, and public welfare laws for the distribution of medical marijuana that are more restrictive than this article 10.

(b) Local jurisdictions are authorized to adopt and enforce regulations for retail marijuana businesses that are at least as restrictive as the provisions of this article 10 and any rule promulgated pursuant to this article 10.

(2) (a) A medical marijuana business may not operate until it has been licensed by the local licensing authority and the state licensing authority pursuant to this article 10. If the state licensing authority issues the applicant a state license and the local licensing authority subsequently denies the applicant a license, the state licensing authority shall consider the local licensing authority denial as a basis for the revocation of the state-issued license. In connection with a license, the applicant shall provide a complete and accurate list of all controlling beneficial owners, passive beneficial owners to the extent disclosure is required by section 44-10-309, and employees who manage, own, or are otherwise substantially associated with the operation and shall provide a complete and accurate application as required by the state licensing authority.

(b) A retail marijuana business may not operate until it is licensed by the state licensing authority pursuant to this article 10 and approved by the local jurisdiction. If an application is denied by the local licensing authority, the state licensing authority shall revoke the state-issued license. In connection with a license, the applicant shall provide a complete and accurate application as required by the state licensing authority.

(3) A medical marijuana business that is not a publicly traded corporation shall notify the state licensing authority in writing within ten days after a controlling beneficial owner, passive beneficial owner, or manager ceases to work at, manage, own, or otherwise be associated with the operation. The controlling beneficial owner, passive beneficial owner, or manager shall surrender to the state licensing authority any identification card that may have been issued by the state licensing authority on or before the date of the notification.

(4) A medical marijuana business or retail marijuana business that is not a publicly traded corporation shall notify the state licensing authority in writing of the name, address, and date of birth of a controlling beneficial owner, passive beneficial owner, or manager before the new controlling beneficial owner, passive beneficial owner, or manager begins managing or associating with the operation. Any controlling beneficial owner, passive beneficial owner,

manager, or employee must pass a fingerprint-based criminal history record check as required by the state licensing authority and obtain the required identification prior to being associated with, managing, owning, or working at the operation.

(5) (a) A medical marijuana business shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense marijuana for any purpose except to assist patients, as defined by section 14 (1) of article XVIII of the state constitution.

(b) A retail marijuana business shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense marijuana for any purpose except as authorized by section 16 of article XVIII of the state constitution and this article 10.

(6) (a) All employee licenses granted pursuant to this article 10 are valid for a period not to exceed two years after the date of issuance unless revoked or suspended pursuant to this article 10 or the rules promulgated pursuant to this article 10.

(b) (I) If issued by the state licensing authority, regulated marijuana business licenses and licenses granted to a controlling beneficial owner pursuant to this article 10 are valid for a period of two years after the date of issuance unless revoked or suspended pursuant to this article 10 or the rules promulgated pursuant to this article 10 or unless the licensee elects for the license to expire sooner than two years under section 44-10-314 (3). A local licensing authority may determine whether each type of license, including an associated marijuana delivery permit, issued by the local licensing authority is valid for one or two years.

(II) (A) This subsection (6)(b) applies to licenses issued after August 7, 2024.

(B) This subsection (6)(b)(II) is repealed, effective July 1, 2026.

(7) Before granting a local or state license, the respective licensing authority may consider, except where this article 10 specifically provides otherwise, the requirements of this article 10 and any rules promulgated pursuant to this article 10, and all other reasonable restrictions that are or may be placed upon the licensee by the licensing authority. With respect to a second or additional license for the same medical marijuana business licensee or the same owner of another licensed medical marijuana business pursuant to this article 10, each licensing authority shall consider the effect on competition of granting or denying the additional licenses to such licensee and shall not approve an application for a second or additional license that would have the effect of restraining competition.

(8) (a) Each license issued under this article 10 is separate and distinct. It is unlawful for a person to exercise any of the privileges granted under a license other than the license that the person holds or for a licensee to allow any other person to exercise the privileges granted under the licensee's license. A separate license is required for each specific business or business entity and each geographical location.

(b) At all times, a licensee shall possess and maintain possession of the premises for which the license is issued by ownership, lease, rental, or other arrangement for possession of the premises.

(9) (a) The licenses provided pursuant to this article 10 must specify the date of issuance, the period of licensure, the name of the licensee, and the premises licensed. The licensee shall conspicuously place the license at all times on the licensed premises.

(b) A local licensing authority shall not transfer location of or renew a license to sell medical marijuana until the applicant for the license provides verification that a license was issued and granted by the state licensing authority for the previous license term. The state licensing authority shall not transfer location of or renew a state license until the applicant

provides verification that a license was issued and granted by the local licensing authority for the previous license term.

(10) In computing any period of time prescribed by this article 10, the day of the act, event, or default from which the designated period of time begins to run is not included. Saturdays, Sundays, and legal holidays are counted as any other day.

(11) (a) Except for a publicly traded corporation, a medical marijuana business licensee shall report each transfer or change of financial interest in the license to the state and local licensing authorities thirty days prior to any transfer or change pursuant to section 44-10-312. Except for a publicly traded corporation, a report is required for transfers of an owner's interest of any entity regardless of size.

(b) Except for a publicly traded corporation, a retail marijuana business licensee shall report each transfer or change of financial interest in the license to the state and local licensing authorities and receive approval prior to any transfer or change pursuant to section 44-10-312. Except for a publicly traded corporation, a report is required for transfers of an owner's interest of any entity regardless of size.

(12) Each licensee shall manage the licensed premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of the manager to the state and local licensing authorities. The licensee shall report any change in manager to the state and local licensing authorities prior to the change pursuant to subsection (4) of this section.

(13) (a) A licensee may move the permanent location to any other place in Colorado once permission to do so is granted by the state and local licensing authorities or local jurisdiction provided for in this article 10. Upon receipt of an application for change of location, the state licensing authority shall, within seven days, submit a copy of the application to the local licensing authority or local jurisdiction to determine whether the transfer complies with all local restrictions on change of location.

(b) In permitting a change of location, the state and local licensing authorities or local jurisdiction shall consider all reasonable restrictions that are or may be placed upon the new location by the governing board or local licensing authority of the municipality, city and county, or county, and any such change in location must be in accordance with all requirements of this article 10 and rules promulgated pursuant to this article 10.

(c) (I) A medical marijuana cultivation facility or retail marijuana cultivation facility that has obtained an approved change of location from the state licensing authority may operate one license at two geographical locations for the purpose of transitioning operations from one location to another if:

(A) The total plants cultivated at both locations do not exceed any plant count limit imposed on the license by this article 10 and any rules promulgated by the state licensing authority;

(B) The licensed premises of both geographical locations comply with all surveillance, security, and inventory tracking requirements imposed by this article 10 and any rules promulgated by the state licensing authority;

(C) Both the transferring location and the receiving location track all plants virtually in transition in the seed-to-sale tracking system to ensure proper tracking for taxation and tracking purposes;

(D) Operation at both geographical locations does not exceed one hundred eighty days, unless for good cause shown, the one-hundred-eighty-day deadline may be extended for an additional one hundred twenty days; and

(E) The medical marijuana cultivation facility or retail marijuana cultivation facility licensee obtains the proper state permit and local permit or license. If the change of location is within the same local jurisdiction, the licensee must first obtain a transition permit from the state licensing authority and, if required by the local jurisdiction, a transition permit or other form of approval from the local licensing authority or local jurisdiction. If the change of location is to a different local jurisdiction, the licensee must first obtain a license from the local licensing authority or local jurisdiction where it intends to locate, a transition permit from the state licensing authority, and, if required by the local jurisdiction, a transition permit or other form of approval from the local licensing authority or local jurisdiction for the local jurisdiction where it intends to locate.

(II) Conduct at either location may be the basis for fine, suspension, revocation, or other sanction against the license.

(14) (a) On or after January 1, 2023, a person may operate a licensed medical marijuana business and a licensed retail marijuana business at the same location pursuant to this subsection (14) and rules promulgated by the state licensing authority if the local licensing authority and local jurisdiction where the businesses are located allow licensed medical marijuana and licensed retail marijuana businesses to be operated at the same location.

(b) (I) Except as provided in subsection (14)(b)(II) of this section, if a licensed medical marijuana store and a licensed retail marijuana store operate at the same location, each store shall maintain separate licensed premises and separate business operations, including separate entrances and exits, inventory, point of sale operations, and record keeping.

(II) The state licensing authority shall adopt rules concerning whether aspects of the licensed premises and business operations may be combined when a licensed medical marijuana store that operates at the same location as a licensed retail marijuana store sells medical marijuana only to persons twenty-one years of age or older. The rules must address whether to allow single entrances and exits and virtual separation of inventory.

(c) A licensed medical marijuana cultivation facility and a licensed retail marijuana cultivation facility located at the same location must maintain either physical or virtual separation of the two facilities and the plants and inventory of the two facilities.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2873, § 5, effective January 1, 2020. **L. 2020:** (6) amended, (HB 20-1080), ch. 81, p. 329, § 1, effective September 14. **L. 2022:** (14) added, (HB 22-1037), ch. 78, p. 390, § 1, effective August 10. **L. 2024:** (6)(b) amended, (SB 24-076), ch. 410, p. 2830, § 4, effective August 7.

Editor's note: (1) This section is similar to former §§ 44-11-310 and 44-12-309 as they existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-314. License renewal - unified renewal applications - rules. (1) Ninety days prior to the expiration date of an existing medical marijuana business or retail marijuana

business license, the state licensing authority shall notify the licensee of the expiration date by first-class mail at the licensee's address of record with the state licensing authority. A licensee must apply for the renewal of an existing license to the local licensing authority within the time frame required by local ordinance or regulation and to the state licensing authority prior to the expiration of the license. The licensee shall provide the state licensing authority with information establishing that the application complies with all local requirements for the renewal of a license. If a licensee submits a timely and sufficient renewal application, the licensee may continue to operate until the application is finally acted upon by the state licensing authority. The local licensing authority may hold a hearing on the application for renewal of a medical marijuana business license only if the licensee has had complaints filed against it, has a history of violations, or there are allegations against the licensee that would constitute good cause. The local licensing authority shall not hold a renewal hearing provided for by this subsection (1) for a medical marijuana store until it has posted a notice of hearing on the licensed medical marijuana store premises in the manner described in section 44-10-303 (2) for a period of ten days and provided notice to the applicant at least ten days prior to the hearing. The local licensing authority may refuse to renew any license for good cause, subject to judicial review.

(2) The state licensing authority may require an additional fingerprint request when there is a demonstrated investigative need.

(3) On or after January 1, 2026, the state licensing authority shall promulgate rules authorizing multiple regulated marijuana business licensees with identical controlling beneficial owners to submit a single initial application or a single renewal application through a unified application process. A unified application is subject to a lower fee for each application than for applications for individual licenses.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2877, § 5, effective January 1, 2020. **L. 2024:** (3) added, (SB 24-076), ch. 410, p. 2830, § 5, effective August 7.

Editor's note: (1) This section is similar to former §§ 44-11-311 (1) and (2) and 44-12-310 (1) as they existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-315. Inactive licenses. The state or local licensing authority, in its discretion, may revoke or elect not to renew any license if it determines that the licensed premises have been inactive, without good cause, for at least one year.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2879, § 5, effective January 1, 2020.

Editor's note: This section is similar to former §§ 44-11-312 and 44-12-311 as they existed prior to 2020.

44-10-316. Unlawful financial assistance. (1) The state licensing authority, by rule, shall require a complete disclosure pursuant to section 44-10-309 in connection with each license issued under this article 10.

(2) This section is intended to prohibit and prevent the control of the outlets for the sale of regulated marijuana and regulated marijuana products by a person or party other than the persons licensed pursuant to the provisions of this article 10.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2879, § 5, effective January 1, 2020.

Editor's note: This section is similar to former §§ 44-11-313 and 44-12-312 as they existed prior to 2020.

PART 4

LICENSE TYPES

44-10-401. Classes of licenses. (1) For the purpose of regulating the cultivation, manufacture, distribution, hospitality, and sale of regulated marijuana and regulated marijuana products, the state licensing authority in its discretion, upon application in the prescribed form made to it, may issue and grant to the applicant a license from any of the classes listed in subsection (2) of this section, subject to the provisions and restrictions provided by this article 10.

(2) (a) The following are medical marijuana licenses:

(I) Medical marijuana store license;

(II) Medical marijuana cultivation facility license;

(III) Medical marijuana products manufacturer license;

(IV) Medical marijuana testing facility license;

(V) Medical marijuana transporter license;

(VI) Medical marijuana business operator license; and

(VII) Marijuana research and development license.

(b) The following are retail marijuana licenses:

(I) Retail marijuana store license;

(II) Retail marijuana cultivation facility license;

(III) Retail marijuana products manufacturer license;

(IV) Retail marijuana testing facility license;

(V) Retail marijuana transporter license;

(VI) Retail marijuana business operator license;

(VII) Accelerator cultivator license;

(VIII) Accelerator manufacturer license;

(IX) Marijuana hospitality business license;

(X) Retail marijuana hospitality and sales business license; and

(XI) Accelerator store license.

(c) The following are regulated marijuana licenses or registrations: Occupational licenses and registrations for owners, managers, operators, employees, contractors, and other

support staff employed by, working in, or having access to restricted areas of the licensed premises, as determined by the state licensing authority. The state licensing authority may take any action with respect to a registration or permit pursuant to this article 10 as it may with respect to a license pursuant to this article 10, in accordance with the procedures established pursuant to this article 10.

(3) (a) Prior to accepting a court appointment as a receiver, personal representative, executor, administrator, guardian, conservator, trustee, or any other similarly situated person to take possession of, operate, manage, or control a licensed medical marijuana business, the proposed appointee shall certify to the court that the proposed appointee is not prohibited from being issued a medical marijuana license pursuant to section 44-10-307 (1). Within the time frame established by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(q), an appointee shall notify the state and local licensing authorities of the appointment and shall apply to the state licensing authority for a finding of suitability.

(b) Upon notification of an appointment required by subsection (3)(a) of this section, the state licensing authority shall issue a temporary appointee registration to the appointee effective as of the date of the appointment. Pursuant to sections 24-4-104, 44-10-202 (1)(b), and 44-10-901, the appointee's temporary appointee registration may be suspended, revoked, or subject to other sanction if the state licensing authority finds the appointee to be unsuitable or if the appointee fails to comply with this article 10, the rules promulgated pursuant thereto, or any order of the state licensing authority. If an appointee's temporary appointee registration is suspended or revoked, the appointee shall immediately cease performing all activities for which a license is required by this article 10. For purposes of section 44-10-901 (1), the appointee is deemed an agent of the licensed medical marijuana business.

(c) The appointee shall inform the court of any action taken against the temporary appointee registration by the state licensing authority pursuant to section 24-4-104 or 44-10-901 within two business days of any such action.

(d) Unless otherwise permitted by this article 10 and rules promulgated pursuant to this article 10, a person shall not take possession of, operate, manage, or control a medical marijuana business on behalf of another except by court appointment and in accordance with this subsection (3) and rules promulgated pursuant thereto.

(4) All persons licensed pursuant to this article 10 shall collect sales tax on all sales made pursuant to the licensing activities.

(5) A state chartered bank or a credit union may loan money to any person licensed pursuant to this article 10 for the operation of a licensed medical or retail marijuana business.

(6) For a person applying to be a social equity licensee, the state licensing authority shall not deny an application on the sole basis of the prior marijuana conviction of the applicant and at its discretion may waive other requirements.

(7) A person may not operate a license issued pursuant to this article 10 at the same location as a license or permit issued pursuant to article 3, 4, or 5 of this title 44.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2879, § 5, effective January 1, 2020; (1) and (2)(b)(VII) amended and (2)(b)(IX), (2)(b)(X), and (7) added, (HB 19-1230), ch. 340, p. 3120, § 16, effective January 1, 2020. **L. 2020:** (2)(b)(VII), (2)(b)(VIII), (2)(b)(IX), (2)(b)(X), and (6) amended and (2)(b)(XI) added, (HB 20-1424), ch. 184, p. 845, § 6, effective September 14; (2)(c) amended, (HB 20-1080), ch. 81, p. 329, § 2,

effective September 14; (5) amended, (HB 20-1217), ch. 93, p. 370, § 5, effective September 14. **L. 2021:** (1) and (2)(c) amended, (HB 21-1178), ch. 130, p. 525, § 6, effective September 7.

Editor's note: This section is similar to former §§ 44-11-401 and 44-12-401 as they existed prior to 2020.

PART 5

MEDICAL MARIJUANA LICENSE TYPES

44-10-501. Medical marijuana store license. (1) (a) A medical marijuana store license may be issued only to a person selling medical marijuana pursuant to the terms and conditions of this article 10.

(b) (I) The medical marijuana store shall track all of its medical marijuana and medical marijuana products from the point that they are transferred from a medical marijuana cultivation facility or medical marijuana products manufacturer to the point of sale. When completing a patient sales transaction, the medical marijuana store shall immediately record each sales transaction in the seed-to-sale inventory tracking system in order to allow the seed-to-sale inventory tracking system to:

(A) Continuously monitor entry of patient data to identify discrepancies with daily authorized quantity limits and THC potency authorizations;

(B) Access and retrieve real-time sales data based on patient identification number; and

(C) Respond with a user error message if a sale to a patient or caregiver will exceed the patient's daily authorized quantity limit for that business day or THC potency authorization.

(II) In the event of a temporary outage of the seed-to-sale tracking system, a medical marijuana store may rely upon the physician's certification required by section 25-1.5-106 and is not responsible for any unintentional sale in excess of the authorized quantity limit that occurs during the outage, provided however that the medical marijuana store uploads its sales data into the seed-to-sale tracking system as soon as reasonably practical after the end of the outage.

(III) The data collected pursuant to this subsection (1)(b), including any personal identifying patient information, is subject to the confidentiality requirements of section 44-10-204.

(2) (a) Notwithstanding the provisions of this section, a medical marijuana store licensee may also sell medical marijuana products that are prepackaged and labeled so as to clearly indicate all of the following:

(I) That the product contains medical marijuana;

(II) That the product is manufactured without any regulatory oversight for health, safety, or efficacy; and

(III) That there may be health risks associated with the consumption or use of the product.

(b) A medical marijuana store licensee may contract with a medical marijuana products manufacturer licensee for the manufacture of medical marijuana products upon a medical marijuana products manufacturer licensee's licensed premises.

(3) (a) Every person selling medical marijuana as provided for in this article 10 shall sell only medical marijuana acquired from a medical marijuana cultivation facility licensee, medical marijuana products manufacturer licensee, or another medical marijuana store.

(b) A medical marijuana store may not sell more than two ounces of medical marijuana to a patient or caregiver; except that a medical marijuana store may sell more than two ounces to a patient or caregiver who has been recommended an extended ounce count by his or her recommending physician in accordance with regulations adopted by the state licensing authority.

(c) In addition to medical marijuana, a medical marijuana store may sell no more than six immature plants to a patient; except that a medical marijuana store may sell more than six immature plants, but may not exceed half the recommended plant count, to a patient who has been recommended an expanded plant count by his or her recommending physician in accordance with regulations adopted by the state licensing authority. A medical marijuana store may sell immature plants to a primary caregiver, another medical marijuana store, or a medical marijuana products manufacturer pursuant to rules promulgated by the state licensing authority.

(d) A medical marijuana store may sell medical marijuana to another medical marijuana store, a medical marijuana cultivation facility, or a medical marijuana products manufacturer pursuant to rules promulgated by the state licensing authority.

(e) (I) A medical marijuana store that sells a hemp product shall ensure that the hemp product has passed all testing required by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(d). Prior to taking possession of the hemp product, a medical marijuana store shall verify the hemp product passed all testing required for medical marijuana products at a licensed medical marijuana testing facility and that the person transferring the hemp product has received a registration from the department of public health and environment pursuant to section 25-5-426.

(II) Absent sampling and testing standards established by the department of public health and environment for the sampling and testing of a hemp product, a person transferring a hemp product to a medical marijuana store pursuant to this section shall comply with sampling and testing standards consistent with those established by the state licensing authority pursuant to this article 10. The state licensing authority shall report to the department of public health and environment any investigations or findings of violations of this section by a person registered pursuant to section 25-5-426.

(f) The provisions of this subsection (3) do not apply to medical marijuana products.

(g) When completing a sale of medical marijuana concentrate, the medical marijuana store shall physically attach to the patient's receipt of sale, product container, or exit packaging the tangible educational resource created by the state licensing authority regarding the use of medical marijuana concentrate.

(4) (a) Prior to initiating a sale, the employee of the medical marijuana store making the sale shall verify:

(I) That the purchaser has a valid registry identification card issued pursuant to section 25-1.5-106 or a copy of a current and complete new application for the medical marijuana registry administered by the department of public health and environment that is documented by proof as having been submitted to the department of public health and environment within the preceding thirty-five days;

(II) A valid picture identification card that matches the name on the registry identification card; and

(III) That the patient's or caregiver's purchase will not exceed the patient's daily authorized quantity limit or the amount listed on the patient's certification, whichever is greater, and the purchase aligns with the purchase authority information in the seed-to-sale tracking system.

(b) A purchaser may not provide a copy of a renewal application in order to make a purchase at a medical marijuana store. A purchaser may only make a purchase using a copy of the purchaser's application from 8 a.m. to 5 p.m., Monday through Friday. If the purchaser presents a copy of the purchaser's application at the time of purchase, the employee must contact the department of public health and environment to determine whether the purchaser's application has been denied. The employee shall not complete the transaction if the purchaser's application has been denied. If the purchaser's application has been denied, the employee is authorized to confiscate the purchaser's copy of the application and the documentation of proof of submittal, if possible, and shall, within seventy-two hours after the confiscation, turn it over to the department of public health and environment or a local law enforcement agency. The failure to confiscate the copy of the application and document of proof of submittal or to turn it over to the state health department or a state or local law enforcement agency within seventy-two hours after the confiscation is not a criminal offense.

(c) If the patient seeks to purchase more than the statutorily allowed daily authorized limit of concentrate for the patient's age group, the patient shall present the patient's certification at the time of purchase and the medical marijuana store shall not exceed statutorily allowed quantities or the quantities specified in the certification.

(5) Transactions for the sale of medical marijuana or a medical marijuana product at a medical marijuana store may be completed by using an automated machine that is in a restricted access area of the store if the machine complies with the rules promulgated by the state licensing authority regarding the transaction of sale of product at a medical marijuana store and the transaction complies with subsection (4) of this section.

(6) A medical marijuana store may provide, except as required by section 44-10-203 (2)(d), a sample of its products to a facility that has a medical marijuana testing facility license from the state licensing authority for testing and research purposes. A medical marijuana store shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

(7) (Deleted by amendment, L. 2019.)

(8) A licensed medical marijuana store shall comply with all provisions of article 34 of title 24, as the provisions relate to persons with disabilities.

(9) Notwithstanding the provisions of section 44-10-701 (3)(g), a medical marijuana store may sell below cost or donate to a patient who has been designated indigent by the state health agency or who is in hospice care:

(a) Medical marijuana; or

(b) No more than six immature plants; except that a medical marijuana store may sell or donate more than six immature plants, but may not exceed half the recommended plant count, to a patient who has been recommended an expanded plant count by his or her recommending physician; or

(c) Medical marijuana products to patients.

(10) (a) Except as provided in subsection (10)(b) of this section, a medical marijuana store shall not sell, individually or in any combination, more than two ounces of medical

marijuana flower, eight grams of medical marijuana concentrate, or medical marijuana products containing a combined total of twenty thousand milligrams to a patient in a single business day.

(b) (I) A medical marijuana store may sell medical marijuana flower in an amount that exceeds the sales limitation established pursuant to subsection (10)(a) of this section only to a patient who has a physician recommendation for more than two ounces of flower and is registered with the medical marijuana store.

(II) A medical marijuana store may sell medical marijuana products in an amount that exceeds the sales limitation pursuant to subsection (10)(a) of this section only to a patient who has a physician exemption from the sales limitation and is registered with the medical marijuana store. A physician making medical marijuana recommendations for a debilitating medical condition or disabling medical condition pursuant to article 1.5 of title 25 may exempt a patient from the medical marijuana concentrate or medical marijuana products sales limitation established in subsection (10)(a) of this section. A physician providing an exemption shall document and maintain the exemption in the physician's record-keeping system for the patient and shall provide written documentation to the patient to allow a medical marijuana store to verify the exemption. The written documentation of the exemption provided to a patient must, at a minimum, include the patient's name and registry number, the physician's name, valid license number, physical business address, any electronic mailing address, and phone number. The state health agency may require a physician providing an exemption to the sales limitation to document the exemption in the medical marijuana registry.

(III) (A) A medical marijuana store or medical marijuana stores shall not sell any more than eight grams of medical marijuana concentrate to a patient in a single day; except that this subsection (10)(b) does not apply if the patient is homebound, if the physician's certification specifically states that the patient needs more than eight grams of medical marijuana concentrate, if it would be a significant physical or geographic hardship for the patient to make a daily purchase, or if the patient had a registry identification card prior to eighteen years of age.

(B) Notwithstanding the provisions of subsection (10)(b)(III)(A) of this section, if the patient is eighteen to twenty years of age, a medical marijuana store or medical marijuana stores shall not sell any more than two grams of medical marijuana concentrate to a patient in a single day; except that this subsection (10)(b) does not apply if the patient is homebound, if the physician's certification specifically states the patient needs more than two grams of medical marijuana concentrate, if it would be a significant physical or geographic hardship for the patient to make a daily purchase, or if the patient had a registry identification card prior to eighteen years of age.

(c) The state licensing authority may promulgate rules to establish certain exemptions to the medical marijuana concentrate or medical marijuana products sales limitation and may establish record-keeping requirements for medical marijuana stores engaging in sales transactions pursuant to any exemption to the sales limitation. When establishing any exemptions, the state licensing authority shall consult with members of the medical marijuana patient community and physicians making medical marijuana recommendations pursuant to section 14 of article XVIII of the state constitution and article 1.5 of title 25.

(d) A medical marijuana store shall not engage in sales transactions to the same patient during the same business day when the medical marijuana store or its employee knows or reasonably should have known that the sales transaction would result in the patient possessing more than the sales limitation established by subsection (10)(a) of this section.

(11) (a) (I) There is authorized a medical marijuana delivery permit to a medical marijuana store license authorizing the permit holder to deliver medical marijuana and medical marijuana products.

(II) A medical marijuana delivery permit is valid for two years and may be renewed annually upon renewal of the medical marijuana store license.

(III) A medical marijuana delivery permit issued pursuant to this section applies to only one medical marijuana store; except that a single medical marijuana delivery permit may apply to multiple medical marijuana stores provided that the medical marijuana stores are in the same local jurisdiction and are identically owned, as defined by the state licensing authority for purposes of this section.

(IV) The state licensing authority may issue a medical marijuana delivery permit to a qualified applicant, as determined by the state licensing authority, that holds a medical marijuana store license issued pursuant to this article 10. The state licensing authority has discretion in determining whether an applicant is qualified to receive a medical marijuana delivery permit. A medical marijuana delivery permit issued by the state licensing authority is deemed a revocable privilege of a licensed medical marijuana store. A violation related to a medical marijuana delivery permit is grounds for a fine or suspension or revocation of the delivery permit or medical marijuana store license.

(b) A medical marijuana store licensee shall not make deliveries of medical marijuana or medical marijuana products to patients or parents or guardians while also transporting medical marijuana or medical marijuana products between licensed premises in the same vehicle.

(c) A licensed medical marijuana store shall charge a one-dollar surcharge on each delivery. The licensed medical marijuana store shall remit the surcharges collected on a monthly basis to the municipality where the licensed medical marijuana store is located, or to the county if the licensed medical marijuana store is in an unincorporated area, for local law enforcement costs related to marijuana enforcement. Failure to comply with this subsection (11)(c) may result in nonrenewal of the medical marijuana delivery permit.

(d) A licensed medical marijuana store with a medical marijuana delivery permit may deliver medical marijuana and medical marijuana products only to the patient or parent or guardian who placed the order and who:

(I) Is a current registrant of the medical marijuana patient registry and is twenty-one years of age or older or the parent or guardian of a patient who is also the patient's primary caregiver;

(II) Receives the delivery of medical marijuana or medical marijuana products pursuant to rules; and

(III) Possesses an acceptable form of identification.

(e) Any person delivering medical marijuana or medical marijuana products must possess a valid occupational license and be a current employee of the licensed medical marijuana store or medical marijuana transporter licensee with a valid medical marijuana delivery permit; must have undergone training regarding proof-of-age identification and verification, including all forms of identification that are deemed acceptable by the state licensing authority; and must have any other training required by the state licensing authority.

(f) In accordance with this subsection (11) and rules adopted to implement this subsection (11), a licensed medical marijuana store with a valid medical marijuana delivery permit may:

(I) Receive an order by electronic or other means from a patient or the parent or guardian for the purchase and delivery of medical marijuana or medical marijuana products. When using an online platform for marijuana delivery, the platform must require the patient or parent or guardian to choose a medical marijuana store before viewing the price.

(II) Deliver medical marijuana and medical marijuana products not in excess of the amounts established by the state licensing authority;

(III) Deliver only to a patient or a parent or guardian at the address provided in the order;

(IV) Deliver no more than once per day to the same patient or parent or guardian or residence;

(V) (A) Deliver only to private residences.

(B) For purposes of this section, "private residences" means private premises where a person lives, such as a private dwelling place or place of habitation, and specifically excludes any premises located at a school or on the campus of an institution of higher education, or any other public property.

(VI) Deliver medical marijuana or medical marijuana products only by a motor vehicle that complies with this section and the rules promulgated pursuant to this section and section 44-10-203 (2)(dd); and

(VII) Use an employee to conduct deliveries, or contract with a medical marijuana transporter that has a valid medical marijuana delivery permit to conduct deliveries on its behalf, from its medical marijuana store or its associated state licensing authority-authorized storage facility as defined by rule.

(g) (I) At the time of the order, the medical marijuana store shall require the patient or parent or guardian to provide information necessary to verify the patient is qualified to purchase and receive a delivery of medical marijuana and medical marijuana products pursuant to this section. The provided information must, at a minimum, include the following:

(A) The patient's name and date of birth;

(B) The registration number reflected on the patient's registry identification card issued pursuant to section 25-1.5-106;

(C) If the patient is under eighteen years of age, the name and date of birth of the parent or guardian designated as the patient's primary caregiver and, if applicable, the registration number of the primary caregiver;

(D) The address of the residence where the order will be delivered; and

(E) Any other information required by state licensing authority rule.

(II) Prior to transferring possession of the order to a patient or a parent or guardian, the person delivering the order shall inspect the patient's or parent's or guardian's identification and registry identification card issued pursuant to section 25-1.5-106, verify the possession of a valid registry identification card issued pursuant to section 25-1.5-106, and verify that the information provided at the time of the order matches the name and age on the patient's or parent's or guardian's identification.

(h) (I) Unless otherwise provided by the state licensing authority by rules promulgated pursuant to this article 10, all requirements applicable to other licenses issued pursuant to this article 10 apply to the delivery of medical marijuana and medical marijuana products, including but not limited to inventory tracking, transportation, and packaging and labeling requirements.

(II) The advertising regulations and prohibitions adopted pursuant to section 44-10-203 (3)(a) apply to medical marijuana delivery operations pursuant to this subsection (11).

(i) It is not a violation of any provision of state, civil, or criminal law for a licensed medical marijuana store or medical marijuana transporter licensee with a valid medical marijuana delivery permit, or such person who has made timely and sufficient application for the renewal of the permit, or its licensees to possess, transport, and deliver medical marijuana and medical marijuana products pursuant to a medical marijuana delivery permit in amounts that do not exceed amounts established by the state licensing authority.

(j) A local law enforcement agency may request state licensing authority reports, including complaints, investigative actions, and final agency action orders, related to criminal activity materially related to medical marijuana delivery in the law enforcement agency's jurisdiction, and the state licensing authority shall promptly provide any reports in its possession for the law enforcement agency's jurisdiction.

(k) (I) Notwithstanding any provisions of this section, delivery of medical marijuana or medical marijuana products is not permitted in any municipality, county, or city and county unless the municipality, county, or city and county, by either a majority of the registered electors of the municipality, county, or city and county voting at a regular election or special election called in accordance with the "Colorado Municipal Election Code of 1965", article 10 of title 31, or the "Uniform Election Code of 1992", articles 1 to 13 of title 1, as applicable, or a majority of the members of the governing board for the municipality, county, or city and county, vote to allow the delivery of medical marijuana or medical marijuana products pursuant to this section.

(II) An ordinance adopted pursuant to subsection (11)(k)(I) of this section may prohibit delivery of medical marijuana or medical marijuana products from a medical marijuana store that is outside a municipality's, county's, city's, or city and county's jurisdictional boundaries to an address within its jurisdictional boundaries.

(l) Notwithstanding any provisions of this section, delivery of retail marijuana or retail marijuana products is not permitted at any school or on the campus of any institution of higher education.

(m) (I) The state licensing authority shall begin issuing medical marijuana delivery permits to qualified medical marijuana store applicants on, but not earlier than, January 2, 2020.

(II) Repealed.

(12) Notwithstanding any other provision of law to the contrary, a licensed medical marijuana store may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2882, § 5, effective January 1, 2020 (see editor's note). **L. 2021:** (1)(b), (4), (10)(a), and (10)(b)(II) amended and (3)(g) and (10)(b)(III) added, (HB 21-1317), ch. 313, p. 1917, § 8, effective January 1, 2022. **L. 2024:** (11)(m)(II) repealed, (SB 24-135), ch. 34, p. 120, § 40, effective March 22; (3)(e) amended, (SB 24-172), ch. 151, p. 611, § 2, effective August 7; (3)(g) and (11)(a)(II) amended, (SB 24-076), ch. 410, p. 2831, § 6, effective August 7.

Editor's note: (1) This section is similar to former § 44-11-402 as it existed prior to 2020.

(2) Section 38 of chapter 315 (SB 19-224), Session Laws of Colorado 2019, provides that the effective date of subsection (3)(e) is July 1, 2020.

(3) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-502. Medical marijuana cultivation facility license - rules - definitions. (1) A medical marijuana cultivation facility may be issued only to a person who cultivates medical marijuana for sale and distribution to licensed medical marijuana stores, medical marijuana products manufacturer licensees, or other medical marijuana cultivation facilities.

(2) A medical marijuana cultivation facility shall track the marijuana it cultivates from seed or immature plant to wholesale purchase.

(3) A medical marijuana cultivation facility may provide, except as required by section 44-10-203 (2)(d), a sample of its products to a facility that has a medical marijuana testing facility license from the state licensing authority for testing and research purposes. A medical marijuana cultivation facility shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the testing results.

(4) Medical marijuana or medical marijuana products may not be consumed on the premises of a medical marijuana cultivation facility.

(5) (a) A medical marijuana cultivation facility licensee may provide a medical marijuana sample and a medical marijuana concentrate sample to no more than five managers employed by the licensee for purposes of quality control and product development. A medical marijuana cultivation facility licensee may designate no more than five managers per calendar month as recipients of quality control and product development samples authorized pursuant to this subsection (5)(a).

(b) Managers who receive a sample pursuant to subsection (5)(a) of this section must have a valid registry identification card issued pursuant to section 25-1.5-106 (9).

(c) A sample authorized pursuant to subsection (5)(a) of this section is limited to one gram of medical marijuana per batch as defined in rules promulgated by the state licensing authority and one-quarter gram of a medical marijuana concentrate per batch as defined in rules promulgated by the state licensing authority; except that the limit is one-half gram of medical marijuana concentrate if the intended use of the final medical marijuana product is to be used in a device that can deliver medical marijuana concentrate in a vaporized form to the person inhaling from the device.

(d) A sample authorized pursuant to subsection (5)(a) of this section must be labeled and packaged pursuant to the rules promulgated pursuant to section 44-10-203 (2)(f) and (3)(b).

(e) A sample provided pursuant to subsection (5)(a) of this section must be tracked with the seed-to-sale tracking system. Prior to a manager receiving a sample, a manager must be designated in the seed-to-sale tracking system as a recipient of quality control and product development samples. A manager receiving a sample must make a voluntary decision to be tracked in the seed-to-sale tracking system and is not a consumer pursuant to section 16 (5)(c) of article XVIII of the state constitution. The medical marijuana cultivation facility licensee shall maintain documentation of all samples and shall make the documentation available to the state licensing authority.

(f) Prior to a manager receiving a sample pursuant to subsection (5)(a) of this section, a medical marijuana cultivation facility licensee shall provide a standard operating procedure to the manager explaining requirements pursuant to this section and personal possession limits pursuant to section 18-18-406.

(g) A manager shall not:

(I) Receive more than one ounce total of medical marijuana samples or fifteen grams of medical marijuana concentrate samples per calendar month, regardless of the number of licenses that the manager is associated with; or

(II) Provide or resell the sample to another licensed employee, a customer, or any other individual.

(h) A medical marijuana cultivation facility licensee shall not:

(I) Allow a manager to consume the sample on the licensed premises; or

(II) Use the sample as a means of compensation to a manager.

(i) The state licensing authority may establish additional inventory tracking and record keeping, including additional reporting required for implementation. The medical marijuana cultivation facility licensee shall maintain the information required by this subsection (5)(i) on the licensed premises for inspection by the state and local licensing authorities.

(j) For purposes of this subsection (5) only, "manager" means an employee of the medical marijuana business who holds a valid key license or associated key license and is currently designated pursuant to state licensing authority rules as the manager of the medical marijuana business.

(6) (a) The state licensing authority may issue a centralized distribution permit to a medical marijuana cultivation facility authorizing temporary storage on its licensed premises of medical marijuana concentrate and medical marijuana products received from a medical marijuana products manufacturer for the sole purpose of transfer to the permit holder's commonly owned medical marijuana stores. Prior to exercising the privileges of a centralized distribution permit, a medical marijuana cultivation facility licensed pursuant to this section shall, at the time of application to the state licensing authority, send a copy of the application or supplemental application for a centralized distribution permit to the local licensing authority in the jurisdiction in which the centralized distribution permit is proposed. The state licensing authority shall notify the local licensing authority of its decision regarding the centralized distribution permit.

(b) A medical marijuana cultivation facility shall not store medical marijuana concentrate or medical marijuana products pursuant to a centralized distribution permit for more than ninety days.

(c) A medical marijuana cultivation facility shall not accept any medical marijuana concentrate or medical marijuana products pursuant to a centralized distribution permit unless the medical marijuana concentrate and medical marijuana products are packaged and labeled for sale to a patient as required by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(f) and (3)(b).

(d) All medical marijuana concentrate and medical marijuana products stored and prepared for transport on a medical marijuana cultivation facility's licensed premises pursuant to a centralized distribution permit must only be transferred to a medical marijuana cultivation facility licensee's commonly owned medical marijuana stores. All transfers of medical marijuana concentrate and medical marijuana products by a medical marijuana cultivation facility pursuant to a centralized distribution permit are without consideration.

(e) All security and surveillance requirements that apply to a medical marijuana cultivation facility apply to activities conducted pursuant to the privileges of a centralized distribution permit.

(f) A medical marijuana cultivation facility shall track all medical marijuana concentrate and medical marijuana products possessed pursuant to a centralized distribution permit in the seed-to-sale tracking system from the point they are received from a medical marijuana products manufacturer to the point of transfer to a medical marijuana cultivation facility licensee's commonly owned medical marijuana stores.

(g) For purposes of this subsection (6) only, "commonly owned" means licenses that have an ownership structure with at least one natural person with a minimum of five percent ownership in each license.

(7) (a) In accordance with the rules promulgated by the state licensing authority, a medical marijuana cultivation facility may obtain genetic material from:

(I) Another medical or retail marijuana cultivation facility;

(II) A medical or retail marijuana testing facility;

(III) A person licensed by, approved by, or permitted by another jurisdiction to possess or cultivate plants of the genus cannabis; or

(IV) Any other source permitted by rule of the state licensing authority.

(b) (I) A medical marijuana cultivation facility may sell, transfer, or ship genetic material to:

(A) Another medical or retail marijuana cultivation facility;

(B) A medical or retail marijuana testing facility;

(C) A person licensed by, approved by, or permitted by another jurisdiction to possess or cultivate plants of the genus cannabis; or

(D) Any other person permitted by rule of the state licensing authority.

(II) Repealed.

(III) For sales, transfers, or shipments to an individual, a medical marijuana cultivation facility shall establish processes and procedures to confirm that the purchasing or receiving individual is twenty-one years of age or older using an age verification process, such as authentication verification, biometric verification, or document verification.

(IV) A licensed medical marijuana cultivation facility may accept payment online for the sale, transfer, or shipment of genetic material.

(V) A licensed medical marijuana cultivation facility shall not transfer genetic material directly to consumers who are present on the licensed premises.

(c) The state licensing authority may promulgate rules to implement this subsection (7) to set requirements for inventory tracking, reporting, and record keeping. In promulgating the rules and conducting enforcement actions under this subsection (7), the state licensing authority may:

(I) Require inventory tracking of genetic material only when the genetic material is:

(A) On the licensed premises of a medical marijuana or retail marijuana business; or

(B) Being transferred between regulated marijuana businesses licensed pursuant to this article 10;

(II) Only confirm the licensee has established processes and procedures to verify compliance with subsection (7)(b)(III) of this section; or

(III) Monitor or take enforcement action associated with a licensee's genetic material activities that occur only on the licensed premises.

(d) This subsection (7) does not limit the applicability of another state's law, the applicability of federal law, or enforcement by federal agencies.

(8) Notwithstanding any other provision of law to the contrary, a licensed medical marijuana cultivation facility may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

(9) (a) After obtaining passing testing results, a medical marijuana cultivation facility may receive a transfer of retail marijuana from a co-located retail marijuana cultivation facility with at least one identical controlling beneficial owner and change the designation of the retail marijuana to medical marijuana. The medical marijuana cultivation facility shall enter the designation change into the seed-to-sale tracking system and, after the change is entered into the system, the marijuana is medical marijuana and is the property of the medical marijuana cultivation facility. The marijuana that changed designation pursuant to this subsection (9)(a) shall not be transferred to the originating retail marijuana cultivation facility or any retail marijuana licensee, have its designation changed from medical marijuana to retail marijuana, or otherwise be treated as retail marijuana.

(b) Both the medical marijuana cultivation facility and retail marijuana cultivation facility must remain at or under their respective regulated inventory limits before and after the designation is conducted pursuant to subsection (9)(a) of this section.

(c) A transfer and change of designation of retail marijuana to medical marijuana pursuant to this subsection (9) is not a transaction that results in a right to refund of any retail marijuana excise tax incurred or paid prior to that transfer and change of designation.

(9.5) (a) Starting January 1, 2023, after obtaining passing test results, a medical marijuana cultivation facility may transfer medical marijuana to a co-located retail marijuana cultivation facility with at least one identical controlling beneficial owner and change the designation of the medical marijuana to retail marijuana. Pursuant to section 44-10-602 (13.5)(a), after the retail marijuana cultivation facility enters the designation change into the seed-to-sale tracking system, the marijuana is retail marijuana and is the property of the retail marijuana cultivation facility. The marijuana that changed designation pursuant to this subsection (9.5)(a) must not be transferred to the originating medical marijuana cultivation facility or any medical marijuana licensee, have its designation changed from retail marijuana back to medical marijuana, or otherwise be treated as medical marijuana.

(b) (I) Notwithstanding subsection (9.5)(a) of this section to the contrary, a medical marijuana cultivation facility may transfer medical marijuana to a retail marijuana cultivation facility that is not co-located with the medical marijuana cultivation facility to change the designation of the medical marijuana to retail marijuana if:

(A) The medical marijuana cultivation facility and retail marijuana cultivation facility have at least one identical controlling beneficial owner; and

(B) The medical marijuana cultivation facility and retail marijuana cultivation facility cannot be co-located because the local jurisdiction prohibits the operation of either a medical marijuana cultivation facility or a retail marijuana cultivation facility.

(II) Prior to making a transfer pursuant to this subsection (9.5)(b), the medical marijuana cultivation facility shall ensure that the medical marijuana passed all tests required by the state licensing authority in rule.

(c) Both the medical marijuana cultivation facility and the retail marijuana cultivation facility shall remain at or under their respective regulated inventory limits before and after the transfer is conducted pursuant to this subsection (9.5).

(d) The retail marijuana cultivation facility shall pay any retail marijuana excise tax pursuant to section 39-28.8-302. The retail marijuana cultivation facility shall notify the local licensing authority in the local jurisdiction where the transferor and transferee operate and pay any applicable excise tax on the transferred retail marijuana.

(e) Pursuant to the requirements of this subsection (9.5), a medical marijuana cultivation facility may make a virtual transfer of marijuana that is reflected in the seed-to-sale tracking system even if the marijuana is not physically moved or transferred.

(10) (a) Beginning January 1, 2022, a medical marijuana cultivation facility licensee that cultivates medical marijuana outdoors may file a contingency plan for its outdoor cultivation operation to address how the licensee will respond when there is an adverse weather event. If the licensee files a contingency plan, the licensee shall also submit a copy of the plan to the local licensing authority in the local jurisdiction where the licensee operates. If the contingency plan is approved by the state licensing authority, the medical marijuana cultivation facility licensee may follow the contingency plan in the case of an adverse weather event.

(b) After the state licensing authority approves a contingency plan, it shall notify the local licensing authority of the approval. The local licensing authority may enforce local land use and zoning laws and regulations regarding the contingency plan and may develop internal regulatory processes to evaluate contingency plans.

(c) On and after January 1, 2023, a local licensing authority may require that an applicant for a medical marijuana cultivation facility license include a contingency plan with the application for the local licensing authority's review and approval.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2890, § 5, effective January 1, 2020. **L. 2021:** (10) added, (HB 21-1301), ch. 304, p. 1827, § 6, effective September 7; (9) added, (HB 21-1216), ch. 306, p. 1832, § 1, effective July 1, 2022. **L. 2022:** (9.5) added, (SB 22-178), ch. 247, p. 1829, § 1, effective July 1. **L. 2023:** (7) amended, (SB 23-271), ch. 444, p. 2615, § 5, effective June 7. **L. 2024:** IP(7)(a), (7)(a)(II), (7)(a)(III), IP(7)(b)(I), (7)(b)(I)(B), (7)(b)(I)(C), and (7)(b)(I)(D), amended, (7)(b)(II) repealed, and (7)(b)(III), (7)(b)(IV), (7)(b)(V), (7)(c), and (7)(d) added, (SB 24-076), ch. 410, p. 2831, § 7, effective August 7.

Editor's note: (1) This section is similar to former § 44-11-403 as it existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-503. Medical marijuana products manufacturer license - rules - definition. (1) (a) A medical marijuana products manufacturer license may be issued to a person that manufactures medical marijuana products, pursuant to the terms and conditions of this article 10.

(b) A medical marijuana products manufacturer may cultivate its own medical marijuana if it obtains a medical marijuana cultivation facility license, it may purchase medical marijuana from a medical marijuana store pursuant to subsection (3) of this section, it may purchase medical marijuana from a medical marijuana cultivation facility licensee, or it may purchase medical marijuana from another medical marijuana products manufacturer. A medical marijuana products manufacturer shall track all of its medical marijuana from the point it is either

transferred from its medical marijuana cultivation facility or the point when it is delivered to the medical marijuana products manufacturer from a medical marijuana store, medical marijuana cultivation facility licensee, or a medical marijuana products manufacturer to the point of transfer to a medical marijuana store or a medical marijuana products manufacturer or a medical marijuana cultivation facility that has obtained a centralized distribution permit.

(c) A person must be licensed as a medical marijuana products manufacturer, including paying the license and application fees, to manufacture potentially intoxicating cannabinoids or intoxicating cannabinoids from medical marijuana to be used as an ingredient or as a finished medical marijuana product.

(2) Medical marijuana products must be prepared on a licensed premises that is used exclusively for the manufacture and preparation of medical marijuana products and using equipment that is used exclusively for the manufacture and preparation of medical marijuana products; except that, subject to rules of the state licensing authority, a medical marijuana products manufacturer licensee may share the same premises as a commonly owned marijuana research and development licensee so long as virtual or physical separation of inventory and research activity is maintained.

(3) A medical marijuana products manufacturer shall have a written agreement or contract with a medical marijuana store or a medical marijuana products manufacturer, which contract must at a minimum set forth the total amount of medical marijuana obtained from the medical marijuana store or the medical marijuana products manufacturer to be used in the manufacturing process, and the total amount of medical marijuana products to be manufactured from the medical marijuana obtained from the medical marijuana store or the medical marijuana products manufacturer. The medical marijuana products manufacturer may sell its products to any medical marijuana store or to any medical marijuana products manufacturer.

(4) All licensed premises on which medical marijuana products are manufactured must meet the sanitary standards for medical marijuana product preparation promulgated pursuant to section 44-10-203 (2)(i).

(5) (a) The medical marijuana product must be sealed and conspicuously labeled in compliance with this article 10 and any rules promulgated pursuant to this article 10. The labeling of medical marijuana products is a matter of statewide concern.

(b) (I) A medical marijuana products manufacturer that uses a hemp product as an ingredient in a medical marijuana product shall ensure that the hemp product has passed all testing required by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(d). Prior to taking possession of the hemp product, a medical marijuana products manufacturer shall verify the hemp product passed all testing required for medical marijuana products at a licensed medical marijuana testing facility and that the person transferring the hemp product has received a registration from the department of public health and environment pursuant to section 25-5-426.

(II) Absent sampling and testing standards established by the department of public health and environment for the sampling and testing of a hemp product, a person transferring a hemp product to a medical marijuana products manufacturer pursuant to this section shall comply with sampling and testing standards consistent with those established by the state licensing authority pursuant to this article 10. The state licensing authority shall report to the department of public health and environment any investigations or findings of violations of this section by a person registered pursuant to section 25-5-426.

(6) Medical marijuana or medical marijuana products may not be consumed on a premises licensed pursuant to this article 10.

(7) Notwithstanding any other provision of state law, sales of medical marijuana products shall not be exempt from state or local sales tax.

(8) A medical marijuana products manufacturer may provide, except as required by section 44-10-203 (2)(d), a sample of its products to a facility that has a medical marijuana testing facility license from the state licensing authority for testing and research purposes. A medical marijuana products manufacturer shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

(9) A medical marijuana products manufacturer shall not:

(a) Add any medical marijuana to a food product where the manufacturer of the food product holds a trademark to the food product's name; except that a medical marijuana products manufacturer may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the medical marijuana products manufacturer does not state or advertise to the patient that the final medical marijuana product contains a trademarked food product;

(b) Intentionally or knowingly label or package a medical marijuana product in a manner that would cause a reasonable patient confusion as to whether the medical marijuana product was a trademarked food product; or

(c) Label or package a medical marijuana product in a manner that violates any federal trademark law or regulation.

(10) (a) A medical marijuana products manufacturer licensee may provide a medical marijuana concentrate and a medical marijuana product sample to no more than five managers employed by the licensee for purposes of quality control and product development. A medical marijuana products manufacturer licensee may designate no more than five managers per calendar month as recipients of quality control and product development samples authorized pursuant to this subsection (10)(a).

(b) Managers who receive a sample pursuant to subsection (10)(a) of this section must have a valid registry identification card issued pursuant to section 25-1.5-106 (9).

(c) A sample authorized pursuant to subsection (10)(a) of this section is limited to one serving size of edible medical marijuana product and its applicable equivalent serving size of nonedible medical marijuana product per batch as defined in rules promulgated by the state licensing authority and one-quarter gram of medical marijuana concentrate per batch as defined in rules promulgated by the state licensing authority; except that the limit is one-half gram of medical marijuana concentrate if the intended use of the final product is to be used in a device that can be used to deliver medical marijuana concentrate in a vaporized form to the person inhaling from the device.

(d) A sample authorized pursuant to subsection (10)(a) of this section must be labeled and packaged pursuant to the rules promulgated pursuant to section 44-10-203 (2)(f) and (3)(b).

(e) A sample provided pursuant to subsection (10)(a) of this section must be tracked with the seed-to-sale tracking system. Prior to a manager receiving a sample, a manager must be designated in the seed-to-sale tracking system as a recipient of quality control and product development samples. A manager receiving a sample must make a voluntary decision to be tracked in the seed-to-sale tracking system and is not a consumer pursuant to section 16 (5)(c) of article XVIII of the state constitution. The medical marijuana products manufacturer licensee

shall maintain documentation of all samples and shall make the documentation available to the state licensing authority.

(f) Prior to a manager receiving a sample pursuant to subsection (10)(a) of this section, a medical marijuana products manufacturer licensee shall provide a standard operating procedure to the manager explaining requirements pursuant to this section and personal possession limits pursuant to section 18-18-406.

(g) A manager shall not:

(I) Receive more than a total of fifteen grams of medical marijuana concentrate or fourteen individual serving-size edibles or its applicable equivalent in nonedible medical marijuana products per calendar month, regardless of the number of licenses that the manager is associated with; or

(II) Provide to or resell the sample to another licensed employee, a customer, or any other individual.

(h) A medical marijuana products manufacturer licensee shall not:

(I) Allow a manager to consume the sample on the licensed premises; or

(II) Use the sample as a means of compensation to a manager.

(i) The state licensing authority may establish additional inventory tracking and record keeping, including additional reporting required for implementation. The medical marijuana products manufacturer licensee shall maintain the information required by this subsection (10)(i) on the licensed premises for inspection by the state and local licensing authorities.

(j) For purposes of this subsection (10) only, "manager" means an employee of the medical marijuana products manufacturer who holds a valid key license or associated key license and is currently designated pursuant to state licensing authority rules as the manager of the medical marijuana products manufacturer.

(11) Notwithstanding any other provision of law to the contrary, a licensed medical marijuana products manufacturer may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

(12) (a) After obtaining passing testing results, a medical marijuana products manufacturer may receive a transfer of retail marijuana that has been extracted and is in a concentrated form from a co-located retail marijuana products manufacturer with at least one identical controlling beneficial owner and change the designation of the retail marijuana that has been extracted and is in a concentrated form to medical marijuana that has been extracted and is in a concentrated form. The medical marijuana products manufacturer shall enter the designation change into the seed-to-sale tracking system and, after the change is entered into the system, the product is a medical marijuana product and is the property of the medical marijuana products manufacturer. A product that changed designation pursuant to this subsection (12)(a) shall not be transferred to the originating retail marijuana products manufacturer or any retail marijuana licensee, have its designation changed from a medical marijuana product, or otherwise be treated as a retail marijuana product.

(b) A transfer and change of designation of retail marijuana that has been extracted and is in a concentrated form to medical marijuana that has been extracted and is in a concentrated form pursuant to this subsection (12) is not a transaction that results in a right to refund of any retail marijuana excise tax incurred or paid prior to that transfer and change of designation.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2893, § 5, effective January 1, 2020 (see editor's note). **L. 2021:** (12) added, (HB 21-1216), ch. 306, p. 1833, § 2, effective July 1, 2022. **L. 2023:** (1)(c) added, (SB 23-271), ch. 444, p. 2616, § 6, effective June 7. **L. 2024:** (5)(b) amended, (SB 24-172), ch. 151, p. 612, § 3, effective August 7.

Editor's note: (1) This section is similar to former § 44-11-404 as it existed prior to 2020.

(2) Section 38 of chapter 315 (SB 19-224), Session Laws of Colorado 2019, provides that the effective date of subsection (5)(b) is July 1, 2020.

44-10-504. Medical marijuana testing facility license - rules. (1) (a) A medical marijuana testing facility license may be issued to a person who performs testing and research on medical marijuana, hemp products as regulated by part 4 of article 5 of title 25, for medical marijuana licensees, medical marijuana and medical marijuana products for marijuana and research development licensees, and marijuana or marijuana products grown or produced by a registered patient or registered primary caregiver on behalf of a registered patient, upon verification of registration pursuant to section 25-1.5-106 (7)(e) and verification that the patient is a participant in a clinical or observational study conducted by a marijuana research and development licensee, and hemp products as regulated by part 4 of article 5 of title 25. The facility may develop and test medical marijuana products.

(b) The testing of medical marijuana, medical marijuana products, and medical marijuana concentrate, and the associated standards, is a matter of statewide concern.

(2) The state licensing authority shall promulgate rules pursuant to its authority in section 44-10-202 (1)(c) related to acceptable testing and research practices, including but not limited to testing, standards, quality control analysis, equipment certification and calibration, and chemical identification and other substances used in bona fide research methods.

(3) A person who has an interest in a medical marijuana testing facility license from the state licensing authority for testing purposes shall not have any interest in a licensed medical marijuana store, a licensed medical marijuana cultivation facility, a licensed medical marijuana products manufacturer, a licensed retail marijuana store, a licensed retail marijuana cultivation facility, or a licensed retail marijuana products manufacturer. A person that has an interest in a licensed medical marijuana store, a licensed medical marijuana cultivation facility, a licensed medical marijuana products manufacturer, a licensed retail marijuana store, a licensed retail marijuana cultivation facility, or a licensed retail marijuana products manufacturer shall not have an interest in a facility that has a medical marijuana testing facility license.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2897, § 5, effective January 1, 2020. **L. 2024:** (1)(a) amended, (SB 24-172), ch. 151, p. 612, § 4, effective August 7.

Editor's note: This section is similar to former § 44-11-405 as it existed prior to 2020.

44-10-505. Medical marijuana transporter license - definition. (1) (a) A medical marijuana transporter license may be issued to a person to provide logistics, distribution, delivery, and storage of medical marijuana and medical marijuana products. Notwithstanding

any other provisions of law, a medical marijuana transporter license is valid for two years. A licensed medical marijuana transporter is responsible for the medical marijuana and medical marijuana products once it takes control of the product.

(b) A licensed medical marijuana transporter may contract with multiple licensed medical marijuana businesses.

(c) On and after July 1, 2017, all medical marijuana transporters shall hold a valid medical marijuana transporter license; except that an entity licensed pursuant to this article 10 that provides its own distribution is not required to have a medical marijuana transporter license to transport and distribute its products. The state licensing authority shall begin accepting applications after January 1, 2017.

(2) A medical marijuana transporter licensee may maintain a licensed premises to temporarily store medical marijuana and medical marijuana products and to use as a centralized distribution point. The licensed premises must be located in a jurisdiction that permits the operation of medical marijuana stores. A licensed medical marijuana transporter may store and distribute medical marijuana and medical marijuana products from this location. A storage facility must meet the same security requirements that are required to obtain a medical marijuana cultivation facility license.

(3) A medical marijuana transporter licensee shall use the seed-to-sale tracking system developed pursuant to section 44-10-202 (1)(a) to create shipping manifests documenting the transport of medical marijuana and medical marijuana products throughout the state.

(4) A medical marijuana transporter licensee may:

(a) Maintain and operate one or more warehouses in the state to handle medical marijuana and medical marijuana products; and

(b) Deliver medical marijuana and medical marijuana products on orders previously taken if the place where orders are taken and delivered is licensed.

(5) (a) (I) There is authorized a medical marijuana delivery permit to a medical marijuana transporter license authorizing the permit holder to deliver medical marijuana and medical marijuana products.

(II) A medical marijuana delivery permit is valid for two years and may be renewed upon renewal of the medical marijuana transporter license.

(III) A medical marijuana delivery permit issued pursuant to this section applies to only one medical marijuana transporter; except that a single medical marijuana delivery permit may apply to multiple medical marijuana transporters if the medical marijuana transporters are in the same local jurisdiction and are identically owned, as defined by the state licensing authority for purposes of this section.

(IV) The state licensing authority may issue a medical marijuana delivery permit to a qualified applicant, as determined by the state licensing authority, that holds a medical marijuana transporter license issued pursuant to this article 10. The state licensing authority has discretion in determining whether an applicant is qualified to receive a medical marijuana delivery permit. A medical marijuana delivery permit issued by the state licensing authority is deemed a revocable privilege of a licensed medical marijuana transporter. A violation related to a medical marijuana delivery permit is grounds for a fine or suspension or revocation of the delivery permit or medical marijuana transporter license.

(b) A medical marijuana transporter licensee shall not make deliveries of medical marijuana or medical marijuana products to patients or parents or guardians while also

transporting medical marijuana or medical marijuana products between licensed premises in the same vehicle.

(c) A licensed medical marijuana transporter with a medical marijuana delivery permit may deliver medical marijuana and medical marijuana products on behalf of a medical marijuana store only to the patient or parent or guardian who placed the order with a medical marijuana store and who:

(I) Is a current registrant of the medical marijuana patient registry and is twenty-one years of age or older or the parent or guardian of a patient who is also the patient's primary caregiver;

(II) Receives the delivery of medical marijuana or medical marijuana products pursuant to rules; and

(III) Possesses an acceptable form of identification.

(d) In accordance with this subsection (5) and rules adopted to implement this subsection (5), a licensed medical marijuana transporter with a valid medical marijuana delivery permit may:

(I) Not accept orders on behalf of a medical marijuana store and may only pick up already packaged medical marijuana delivery orders from a medical marijuana store or its associated state licensing authority-authorized storage facility as defined by rule and deliver those orders to the appropriate patient, parent, or guardian;

(II) Deliver medical marijuana and medical marijuana products not in excess of the amounts established by the state licensing authority;

(III) Deliver only to a patient or parent or guardian at the address provided in the order;

(IV) Deliver no more than once per day to the same patient or residence;

(V) (A) Deliver only to a private residence.

(B) For purposes of this section, "private residences" means private premises where a person lives, such as a private dwelling place or place of habitation, and specifically excludes any premises located at a school or on the campus of an institution of higher education, or any other public property.

(VI) Deliver medical marijuana or medical marijuana products only by a motor vehicle that complies with this section and the rules promulgated pursuant to this section and section 44-10-203 (2)(dd); and

(VII) Use an employee to conduct deliveries on behalf of, and pursuant to a contract with, a medical marijuana store that has a valid medical marijuana delivery permit from its medical marijuana store or its associated state licensing authority-authorized storage facility as defined by rule.

(e) Prior to transferring possession of the order to a patient or a parent or guardian, the person delivering the order shall inspect the patient's or parent's or guardian's identification and registry identification card issued pursuant to section 25-1.5-106, verify the possession of a valid registry identification card issued pursuant to section 25-1.5-106, and verify that the information provided at the time of the order matches the name and age on the patient's or parent's or guardian's identification.

(f) Any person delivering medical marijuana or medical marijuana products for a medical marijuana transporter must possess a valid occupational license and be a current employee of the medical marijuana transporter licensee with a valid medical marijuana delivery permit; must have undergone training regarding proof-of-age identification and verification,

including all forms of identification that are deemed acceptable by the state licensing authority; and must have any other training required by the state licensing authority.

(g) (I) Unless otherwise provided by the state licensing authority by rules promulgated pursuant to this article 10, all requirements applicable to other licenses issued pursuant to this article 10 apply to the delivery of medical marijuana and medical marijuana products, including but not limited to inventory tracking, transportation, and packaging and labeling requirements.

(II) The advertising regulations and prohibitions adopted pursuant to section 44-10-203 (3)(a) apply to medical marijuana delivery operations pursuant to this subsection (5).

(h) It is not a violation of any provision of state, civil, or criminal law for a licensed medical marijuana transporter licensee with a valid medical marijuana delivery permit, or such person who has made timely and sufficient application for the renewal of the permit, or its licensees to possess, transport, and deliver medical marijuana and medical marijuana products pursuant to a medical marijuana delivery permit in amounts that do not exceed amounts established by the state licensing authority.

(i) (I) Notwithstanding any provisions of this section, delivery of medical marijuana or medical marijuana products is not permitted in any municipality, county, or city and county unless the municipality, county, or city and county, by either a majority of the registered electors of the municipality, county, or city and county voting at a regular election or special election called in accordance with the "Colorado Municipal Election Code of 1965", article 10 of title 31, or the "Uniform Election Code of 1992", articles 1 to 13 of title 1, as applicable, or a majority of the members of the governing board for the municipality, county, or city and county vote to allow the delivery of medical marijuana or medical marijuana products pursuant to this section.

(II) An ordinance adopted pursuant to subsection (5)(i)(I) of this section may prohibit delivery of medical marijuana or medical marijuana products from a medical marijuana store that is outside a municipality's, county's, city's, or city and county's jurisdictional boundaries to an address within its jurisdictional boundaries.

(j) The state licensing authority shall begin issuing medical marijuana delivery permits to qualified medical marijuana transporter applicants on, but not earlier than, January 2, 2021.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2898, § 5, effective January 1, 2020. **L. 2022:** (1)(a) amended, (HB 22-1135), ch. 40, p. 212, § 1, effective August 10. **L. 2024:** (5)(a)(II) amended, (SB 24-076), ch. 410, p. 2832, § 8, effective August 7.

Editor's note: (1) This section is similar to former § 44-11-406 as it existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-506. Medical marijuana business operator license. A medical marijuana business operator license may be issued to an entity or person who operates a medical marijuana business licensed pursuant to this article 10, for another medical marijuana business or retail marijuana business licensed pursuant to this article 10, and who may receive a portion of the profits as compensation.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2901, § 5, effective January 1, 2020.

Editor's note: This section is similar to former § 44-11-407 as it existed prior to 2020.

44-10-507. Marijuana research and development license. (1) A marijuana research and development license may be issued to a person to grow, cultivate, possess, and transfer, by sale or donation, marijuana pursuant to section 44-10-203 (1)(i) or subsection (4) of this section for the limited research purposes identified in subsection (2) of this section.

(2) A license identified in subsection (1) of this section may be issued for the following limited research purposes:

(a) To test chemical potency and composition levels;

(b) To conduct clinical investigations of marijuana-derived medicinal products;

(c) To conduct research on the efficacy and safety of administering marijuana as part of medical treatment;

(d) To conduct genomic, horticultural, or agricultural research; and

(e) To conduct research on marijuana-affiliated products or systems.

(3) (a) As part of the application process for a marijuana research and development license, an applicant shall submit to the state licensing authority a description of the research that the applicant intends to conduct and whether the research will be conducted with a public institution or using public money. If the research will not be conducted with a public institution or with public money, the state licensing authority shall grant the application if it determines that the application meets the criteria in subsection (2) of this section.

(b) If the research will be conducted with a public institution or public money, the scientific advisory council established in section 25-1.5-106.5 (3) shall review an applicant's research project to determine that it meets the requirements of subsection (2) of this section and to assess the following:

(I) The project's quality, study design, value, or impact;

(II) Whether the applicant has the appropriate personnel; expertise; facilities; infrastructure; funding; and human, animal, or other approvals in place to successfully conduct the project; and

(III) Whether the amount of marijuana to be grown by the applicant is consistent with the project's scope and goals.

(c) If the scientific advisory council determines that the research project does not meet the requirements of subsection (2) of this section or assesses the criteria in this subsection (3) to be inadequate, the application must be denied.

(4) A marijuana research and development licensee may only transfer, by sale or donation, marijuana grown within its operation to other marijuana research and development licensees. The state licensing authority may impose sanctions on a marijuana research and development license for violations of this subsection (4) and any other violation of this article 10.

(5) A marijuana research and development licensee may contract to perform research in conjunction with a public higher education research institution or another marijuana research and development licensee.

(6) The growing, cultivating, possessing, or transferring, by sale or donation, of marijuana in accordance with this section and the rules adopted pursuant to it, by a marijuana research and development licensee, is not a criminal or civil offense under state law. A marijuana research and development license must be issued in the name of the applicant and must specify the location in Colorado at which the marijuana research and development licensee intends to operate. A marijuana research and development licensee shall not allow any other person to exercise the privilege of the license.

(7) If the research conducted includes a public institution or public money, the scientific advisory council shall review any reports made by marijuana research and development licensees under state licensing authority rule and provide the state licensing authority with its determination on whether the research project continues to meet research qualifications pursuant to this section.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2902, § 5, effective January 1, 2020.

Editor's note: This section is similar to former § 44-11-408 as it existed prior to 2020.

PART 6

RETAIL MARIJUANA LICENSE TYPES

44-10-601. Retail marijuana store license - rules - definitions. (1) (a) A retail marijuana store license may be issued only to a person selling retail marijuana or retail marijuana products pursuant to the terms and conditions of this article 10.

(b) A retail marijuana store may cultivate its own retail marijuana if it obtains a retail marijuana cultivation facility license, or it may purchase retail marijuana from a licensed retail marijuana cultivation facility.

(c) A retail marijuana store shall not accept any retail marijuana purchased from a retail marijuana cultivation facility unless the retail marijuana store is provided with evidence that any applicable excise tax due, pursuant to article 28.8 of title 39, was paid.

(d) The retail marijuana store shall track all of its retail marijuana and retail marijuana products from the point that they are transferred from a retail marijuana cultivation facility or retail marijuana products manufacturer to the point of sale.

(2) (a) Notwithstanding the provisions of this section, a retail marijuana store licensee may also sell retail marijuana products that are prepackaged and labeled as required by rules of the state licensing authority pursuant to section 44-10-203 (2)(f) and (3)(b).

(b) A retail marijuana store licensee may transact with a retail marijuana products manufacturer licensee for the purchase of retail marijuana products upon a retail marijuana products manufacturer licensee's licensed premises or a retail marijuana store's licensed premises.

(c) A retail marijuana store may sell retail marijuana and retail marijuana products to a retail marijuana hospitality and sales business licensee.

(3) (a) (I) A retail marijuana store may not sell more than one ounce of retail marijuana or its equivalent in retail marijuana products, including retail marijuana concentrate, except for

nonedible, nonpsychoactive retail marijuana products, including ointments, lotions, balms, and other nontransdermal topical products, during a single transaction to a person.

(II) As used in this subsection (3)(a), "equivalent in retail marijuana products" has the same meaning as established by the state licensing authority by rule pursuant to section 44-10-203 (4).

(b) (I) Prior to initiating a sale, the employee of the retail marijuana store making the sale shall verify that the purchaser has a valid identification card showing the purchaser is twenty-one years of age or older. If a person under twenty-one years of age presents a fraudulent proof of age, any action relying on the fraudulent proof of age shall not be grounds for the revocation or suspension of any license issued under this article 10.

(II) (A) If a retail marijuana store licensee or employee has reasonable cause to believe that a person is under twenty-one years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail marijuana or marijuana product, the licensee or employee is authorized to confiscate such fraudulent proof of age, if possible, and shall, within seventy-two hours after the confiscation, remit to a state or local law enforcement agency. The failure to confiscate such fraudulent proof of age or to remit to a state or local law enforcement agency within seventy-two hours after the confiscation does not constitute a criminal offense.

(B) If a retail marijuana store licensee or employee believes that a person is under twenty-one years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail marijuana or retail marijuana product, the licensee or employee or any peace or police officer, acting in good faith and upon probable cause based upon reasonable grounds therefor, may detain and question such person in a reasonable manner for the purpose of ascertaining whether the person is guilty of any unlawful act regarding the purchase of retail marijuana. The questioning of a person by an employee or a peace or police officer does not render the licensee, the employee, or the peace or police officer civilly or criminally liable for slander, false arrest, false imprisonment, malicious prosecution, or unlawful detention.

(c) (I) A retail marijuana store that sells a hemp product shall ensure that the hemp product has passed all testing required by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(d). Prior to taking possession of the hemp product, a retail marijuana store shall verify the hemp product passed all testing required for retail marijuana products at a licensed retail marijuana testing facility and that the person transferring the hemp product has received a registration from the department of public health and environment pursuant to section 25-5-426.

(II) Absent sampling and testing standards established by the department of public health and environment for the sampling and testing of a hemp product, a person transferring a hemp product to a retail marijuana store pursuant to this section shall comply with sampling and testing standards consistent with those established by the state licensing authority pursuant to this article 10. The state licensing authority shall report to the department of public health and environment any investigations or findings of violations of this section by a person registered pursuant to section 25-5-426.

(d) When completing a sale of retail marijuana concentrate, the retail marijuana store shall physically attach to the customer's receipt of sale, product container, or exit packaging the tangible educational resource created by the state licensing authority regarding the use of medical marijuana concentrate.

(4) A retail marijuana store may provide, except as required by section 44-10-203 (2)(d), a sample of its products to a facility that has a marijuana testing facility license from the state licensing authority for testing and research purposes. A retail marijuana store shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

(5) All retail marijuana and retail marijuana products sold at a licensed retail marijuana store shall be packaged and labeled as required by rules of the state licensing authority pursuant to section 44-10-203 (2)(f) and (3)(b).

(6) A licensed retail marijuana store shall comply with all provisions of article 34 of title 24, as the provisions relate to persons with disabilities.

(7) (a) A licensed retail marijuana store may only sell retail marijuana, retail marijuana products, marijuana accessories, nonconsumable products such as apparel, marijuana-related products such as childproof packaging containers, hemp products, and food, including food that is not infused with marijuana or hemp products or extracts, but a licensed retail marijuana store shall not give away or sell cigarettes or alcohol. The licensed retail marijuana store shall not sell food in excess of twenty percent of the store's annual gross revenues.

(b) A licensed retail marijuana store may not sell any retail marijuana or retail marijuana products that contain nicotine or alcohol, if the sale of the alcohol would require a license pursuant to article 3 or 4 of this title 44.

(c) (I) A licensed retail marijuana store may accept payment online for the sale of retail marijuana and retail marijuana products.

(II) Unless otherwise authorized by this article 10, an individual must be physically present on the retail marijuana store's licensed premises to take possession of the purchased retail marijuana or retail marijuana product.

(III) At the time of an online order, the retail marijuana store shall require the purchasing individual to provide information necessary to verify that the individual is at least twenty-one years of age. At a minimum, the store shall require the individual's name, the individual's date of birth, and any other information required by the state licensing authority by rule. When the individual arrives to pick up the online order, the store shall inspect the individual's identification. The store shall not transfer possession of the order unless the name and date of birth provided at the time of the order matches the name and date of birth on the individual's identification.

(IV) A retail marijuana store shall ensure that an individual purchasing retail marijuana or retail marijuana products online is provided with digital versions of all warnings or educational materials that the retail marijuana store is required to post and provide on its licensed premises, including the warning required pursuant to section 44-10-203 (3)(h), the educational material required in subsection (3)(d) of this section, and any additional relevant warnings or educational materials, as applicable. The individual must acknowledge receipt of the warnings and educational materials before completing the purchase.

(8) The premises of a licensed retail marijuana store is the only place where an automatic dispensing machine that contains retail marijuana or retail marijuana products may be located. If a licensed retail marijuana store uses an automatic dispensing machine that contains retail marijuana and retail marijuana products, it must comply with the regulations promulgated by the state licensing authority for its use.

(9) Retail marijuana or retail marijuana products may not be consumed on the premises of a retail marijuana store.

(10) Notwithstanding any other provision of state law, sales of retail marijuana and retail marijuana products are not exempt from state or local sales tax.

(11) A display case containing marijuana concentrate must include the potency of the marijuana concentrate next to the name of the product.

(12) Notwithstanding any other provision of law to the contrary, a licensed retail marijuana store may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

(13) (a) (I) There is authorized a retail marijuana delivery permit to a retail marijuana store license authorizing the permit holder to deliver retail marijuana and retail marijuana products.

(II) A retail marijuana delivery permit is valid for two years and may be renewed upon renewal of the retail marijuana store license or retail marijuana transporter license.

(III) A retail marijuana delivery permit issued pursuant to this section applies to only one retail marijuana store; except that a single retail marijuana delivery permit may apply to multiple retail marijuana stores if the retail marijuana stores are in the same local jurisdiction and are identically owned, as defined by the state licensing authority for purposes of this section.

(IV) The state licensing authority may issue a retail marijuana delivery permit to a qualified applicant, as determined by the state licensing authority, that holds a retail marijuana store license issued pursuant to this article 10. A permit applicant is prohibited from delivering retail marijuana and retail marijuana products without state and local jurisdiction approval. If the applicant does not receive local jurisdiction approval within one year from the date of the state licensing authority approval, the state permit expires and may not be renewed. If an application is denied by the local licensing authority, the state licensing authority shall revoke the state-issued permit. The state licensing authority has discretion in determining whether an applicant is qualified to receive a retail marijuana delivery permit. A retail marijuana delivery permit issued by the state licensing authority is deemed a revocable privilege of a licensed retail marijuana store or retail marijuana transporter licensee. A violation related to a retail marijuana delivery permit is grounds for a fine or suspension or revocation of the delivery permit or retail marijuana store license.

(b) A retail marijuana store licensee shall not make deliveries of retail marijuana or retail marijuana products to individuals while also transporting retail marijuana or retail marijuana products between licensed premises in the same vehicle.

(c) The licensed retail marijuana store shall charge a one-dollar surcharge on each delivery. The licensed retail marijuana store shall remit the surcharges collected on a monthly basis to the municipality where the licensed retail marijuana store is located, or to the county if the licensed retail marijuana store is in an unincorporated area, for local law enforcement costs related to marijuana enforcement. Failure to comply with this subsection (13)(c) may result in nonrenewal of the retail marijuana delivery permit.

(d) A licensed retail marijuana store with a retail marijuana delivery permit may deliver retail marijuana and retail marijuana products only to the individual who placed the order and who:

(I) Is twenty-one years of age or older;

(II) Receives the delivery of retail marijuana or retail marijuana products pursuant to rules; and

(III) Possesses an acceptable form of identification.

(e) Any person delivering retail marijuana or retail marijuana products must possess a valid occupational license and be a current employee of the licensed retail marijuana store or retail marijuana transporter licensee with a valid retail marijuana delivery permit; must have undergone training regarding proof-of-age identification and verification, including all forms of identification that are deemed acceptable by the state licensing authority; and must have any other training required by the state licensing authority.

(f) In accordance with this subsection (13) and rules adopted to implement this subsection (13), a licensed retail marijuana store with a valid retail marijuana delivery permit may:

(I) Receive an order through electronic or other means for the purchase and delivery of retail marijuana or retail marijuana products. When using an online platform for marijuana delivery, the platform must require the individual to choose a retail marijuana store before viewing the price.

(II) Deliver retail marijuana or retail marijuana products not in excess of the amounts established by the state licensing authority;

(III) Deliver only to an individual at the address provided in the order;

(IV) Deliver no more than once per day to the same individual or residence;

(V) (A) Deliver only to private residences.

(B) For purposes of this section, "private residences" means private premises where a person lives, such as a private dwelling place or place of habitation, and specifically excludes any premises located at a school or on the campus of an institution of higher education, or any other public property.

(VI) Deliver retail marijuana or retail marijuana products only by a motor vehicle that complies with this section and the rules promulgated pursuant to this section and section 44-10-203 (2)(dd); and

(VII) Use an employee to conduct deliveries, or contract with a retail marijuana transporter that has a valid retail marijuana delivery permit to conduct deliveries on its behalf, from its retail marijuana store or its associated state licensing authority-authorized storage facility as defined by rule.

(g) (I) At the time of the order, the retail marijuana store shall require the individual to provide information necessary to verify the individual is at least twenty-one years of age. The provided information must, at a minimum, include the following:

(A) The individual's name and date of birth;

(B) The address of the residence where the order will be delivered; and

(C) Any other information required by state licensing authority rule.

(II) Prior to transferring possession of the order to an individual, the person delivering the order shall inspect the individual's identification and verify that the information provided at the time of the order matches the name and age on the individual's identification.

(h) (I) Unless otherwise provided by the state licensing authority by rules promulgated pursuant to this article 10, all requirements applicable to other licenses issued pursuant to this article 10 apply to the delivery of retail marijuana and retail marijuana products, including but not limited to inventory tracking, transportation, and packaging and labeling requirements.

(II) The advertising regulations and prohibitions adopted pursuant to section 44-10-203 (3)(a) apply to retail marijuana delivery operations pursuant to this subsection (13).

(i) It is not a violation of any provision of state, civil, or criminal law for a licensed retail marijuana store or retail marijuana transporter licensee with a valid retail marijuana delivery permit, or such person who has made timely and sufficient application for the renewal of the permit, or its licensees to possess, transport, and deliver retail marijuana or retail marijuana products pursuant to a retail marijuana delivery permit in amounts that do not exceed amounts established by the state licensing authority.

(j) A local law enforcement agency may request state licensing authority reports, including complaints, investigative action, and final agency action orders, related to criminal activity materially related to retail marijuana delivery in the law enforcement agency's jurisdiction, and the state licensing authority shall promptly provide any reports in its possession for the law enforcement agency's jurisdiction.

(k) (I) Notwithstanding any provisions of this section, delivery of retail marijuana or retail marijuana products is not permitted in any municipality, county, or city and county unless the municipality, county, or city and county, by either a majority of the registered electors of the municipality, county, or city and county voting at a regular election or special election called in accordance with the "Colorado Municipal Election Code of 1965", article 10 of title 31, or the "Uniform Election Code of 1992", articles 1 to 13 of title 1, as applicable, or a majority of the members of the governing board for the municipality, county, or city and county, vote to allow the delivery of retail marijuana or retail marijuana products pursuant to this section.

(II) An ordinance adopted pursuant to subsection (13)(k)(I) of this section may prohibit delivery of retail marijuana and retail marijuana products from a retail marijuana store that is outside a municipality's, county's, city's, or city and county's jurisdictional boundaries to an address within its jurisdictional boundaries.

(l) Notwithstanding any provisions of this section, delivery of retail marijuana or retail marijuana products is not permitted at any school or on the campus of any institution of higher education.

(m) The state licensing authority shall begin issuing retail marijuana delivery permits to qualified retail marijuana store applicants on, but not earlier than, January 2, 2021.

(14) An accelerator store licensee may operate on the premises of a retail marijuana store licensee if before each accelerator store licensee operates, the retail marijuana store licensee has its premises endorsed pursuant to rule and each accelerator store licensee is approved to operate on that premises.

(15) A retail marijuana store licensee that hosts an accelerator store licensee may, pursuant to rule, provide technical and compliance assistance to an accelerator store licensee operating on its premises. A retail marijuana store licensee that hosts an accelerator store licensee may, pursuant to rule, provide capital assistance to an accelerator store licensee operating on its premises.

(16) A retail marijuana store, pursuant to rule and the state licensing authority discretion, may be eligible for incentives available through the department of revenue or the office of economic development and international trade, including but not limited to a reduction in application or license fees.

(17) A retail marijuana store or retail marijuana stores shall not sell any more than eight grams of retail marijuana concentrate to a person in a single day.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2903, § 5, effective January 1, 2020 (see editor's note); (2)(c) added, (HB 19-1230), ch. 340, p. 3120, § 17, effective January 1, 2020. **L. 2020:** (14), (15), and (16) added, (HB 20-1424), ch. 184, p. 846, § 7, effective September 14. **L. 2021:** (3)(d) and (17) added, (HB 21-1317), ch. 313, p. 1919, § 9, effective January 1, 2022. **L. 2023:** (7)(c) amended, (HB 23-1279), ch. 292, p. 1760, § 1, effective August 7. **L. 2024:** (3)(c) and (7)(a) amended, (SB 24-172), ch. 151, p. 612, § 5, effective August 7; (3)(d) amended, (HB 24-1450), ch. 490, p. 3429, § 90, effective August 7; (3)(d), (7)(a), and (13)(a)(II) amended, (SB 24-076), ch. 410, p. 2832, § 9, effective August 7.

Editor's note: (1) This section is similar to former § 44-12-402 as it existed prior to 2020.

(2) Section 38 of chapter 315 (SB 19-224), Session Laws of Colorado 2019, provides that the effective date of subsection (3)(c) is July 1, 2020.

(3) Amendments to subsection (3)(d) by HB 24-1450 and SB 24-076 were harmonized.

(4) Amendments to subsection (7)(a) by SB 24-172 were superseded by SB 24-076.

(5) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-602. Retail marijuana cultivation facility license - rules - definitions. (1) A retail marijuana cultivation facility license may be issued only to a person who cultivates retail marijuana for sale and distribution to licensed retail marijuana stores, retail marijuana products manufacturer licensees, retail marijuana hospitality and sales business, or other retail marijuana cultivation facilities.

(2) A retail marijuana cultivation facility shall remit any applicable excise tax due in accordance with article 28.8 of title 39, based on the average wholesale prices set by the state licensing authority.

(3) A retail marijuana cultivation facility shall track the marijuana it cultivates from seed or immature plant to wholesale purchase. Prior to delivery of any sold retail marijuana, the retail marijuana cultivation facility shall provide evidence that it paid any applicable excise tax on the retail marijuana due pursuant to article 28.8 of title 39.

(4) A retail marijuana cultivation facility may provide, except as required by section 44-10-203 (2)(d), a sample of its products to a facility that has a retail marijuana testing facility license from the state licensing authority for testing and research purposes. A retail marijuana cultivation facility shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the testing results.

(5) Retail marijuana or retail marijuana products may not be consumed on the premises of a retail marijuana cultivation facility.

(6) (a) A retail marijuana cultivation facility licensee may provide a retail marijuana sample and a retail marijuana concentrate sample to no more than five managers employed by the licensee for purposes of quality control and product development. A retail marijuana cultivation facility licensee may designate no more than five managers per calendar month as recipients of quality control and product development samples authorized pursuant to this subsection (6)(a).

(b) An excise tax shall be levied and collected on the sample of unprocessed retail marijuana by a retail marijuana cultivation facility. The excise tax must be calculated based on the average market rate of the unprocessed retail marijuana.

(c) A sample authorized pursuant to subsection (6)(a) of this section is limited to one gram of retail marijuana per batch as defined in rules promulgated by the state licensing authority, and one-quarter gram of a retail marijuana concentrate per batch as defined in rules promulgated by the state licensing authority; except that the limit is one-half gram of retail marijuana concentrate if the intended use of the final product is to be used in a device that can be used to deliver retail marijuana concentrate in a vaporized form to the person inhaling from the device.

(d) A sample authorized pursuant to subsection (6)(a) of this section must be labeled and packaged pursuant to the rules promulgated pursuant to section 44-10-203 (2)(f) and (3)(b).

(e) A sample provided pursuant to subsection (6)(a) of this section must be tracked with the seed-to-sale tracking system. Prior to a manager receiving a sample, a manager must be designated in the seed-to-sale tracking system as a recipient of quality control and product development samples. A manager receiving a sample must make a voluntary decision to be tracked in the seed-to-sale tracking system and is not a consumer pursuant to section 16 (5)(c) of article XVIII of the state constitution. The retail marijuana cultivation facility licensee shall maintain documentation of all samples and shall make the documentation available to the state licensing authority.

(f) Prior to a manager receiving a sample pursuant to subsection (6)(a) of this section, a retail marijuana cultivation facility licensee shall provide a standard operating procedure to the manager explaining requirements pursuant to this section and personal possession limits pursuant to section 18-18-406.

(g) A manager shall not:

(I) Receive more than one ounce total of retail marijuana or eight grams of retail marijuana concentrate samples per calendar month, regardless of the number of licenses that the manager is associated with; or

(II) Provide to or resell the sample to another licensed employee, a customer, or any other individual.

(h) A retail marijuana cultivation facility licensee shall not:

(I) Allow a manager to consume the sample on the licensed premises; or

(II) Use the sample as a means of compensation to a manager.

(i) The state licensing authority may establish additional inventory tracking and record keeping, including additional reporting required for implementation. The retail marijuana cultivation facility licensee shall maintain the information required by this subsection (6)(i) on the licensed premises for inspection by the state and local licensing authorities.

(j) For purposes of this subsection (6) only, "manager" means an employee of the retail marijuana cultivation facility who holds a valid key license or associated key license and is currently designated pursuant to state licensing authority rules as the manager of the retail marijuana cultivation facility.

(7) (a) The state licensing authority may issue a centralized distribution permit to a retail marijuana cultivation facility authorizing temporary storage on its licensed premises of retail marijuana concentrate and retail marijuana products received from a retail marijuana business for the sole purpose of transfer to the permit holder's commonly owned retail marijuana stores.

Prior to exercising the privileges of a centralized distribution permit, a retail marijuana cultivation facility licensed pursuant to this section shall, at the time of application to the state licensing authority, send a copy of the application or supplemental application for a centralized distribution permit to the local jurisdiction in which the centralized distribution permit is proposed. The state licensing authority shall notify the local jurisdiction of its decision regarding the centralized distribution permit.

(b) A retail marijuana cultivation facility shall not store retail marijuana concentrate or retail marijuana products pursuant to a centralized distribution permit for more than ninety days.

(c) A retail marijuana cultivation facility shall not accept any retail marijuana concentrate or retail marijuana products pursuant to a centralized distribution permit unless the retail marijuana concentrate and retail marijuana products are packaged and labeled for sale to a consumer as required by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(f) and (3)(b).

(d) All retail marijuana concentrate and retail marijuana products stored and prepared for transport on a retail marijuana cultivation facility's licensed premises pursuant to a centralized distribution permit must only be transferred to a retail marijuana cultivation facility licensee's commonly owned retail marijuana stores. All transfers of retail marijuana concentrate and retail marijuana products by a retail marijuana cultivation facility pursuant to a centralized distribution permit are without consideration.

(e) All security and surveillance requirements that apply to a retail marijuana cultivation facility apply to activities conducted pursuant to the privileges of a centralized distribution permit.

(f) A retail marijuana cultivation facility shall track all retail marijuana concentrate and retail marijuana products possessed pursuant to a centralized distribution permit in the seed-to-sale tracking system from the point it is received from a retail marijuana business to the point of transfer to a retail marijuana cultivation facility licensee's commonly owned retail marijuana stores.

(g) For purposes of this section only, "commonly owned" means licenses that have an ownership structure with at least one natural person with a minimum of five percent ownership in each license.

(8) Notwithstanding any other provision of law to the contrary, a licensed retail marijuana cultivation facility may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

(9) An accelerator cultivator licensee may operate on the premises of a retail marijuana cultivation facility licensee if before each accelerator cultivator licensee operates, the retail marijuana cultivation facility licensee has its premises endorsed pursuant to rule and each accelerator cultivator licensee is approved to operate on that premises.

(10) A retail marijuana cultivation facility licensee that hosts an accelerator cultivator licensee may, pursuant to rule, provide technical and compliance assistance to an accelerator cultivator licensee operating on its premises. A retail marijuana products manufacturer licensee that hosts an accelerator cultivator licensee may, pursuant to rule, provide capital assistance to an accelerator cultivator licensee operating on its premises.

(11) A retail marijuana cultivation facility licensee that hosts an accelerator cultivator licensee, pursuant to rule and the state licensing authority discretion, may be eligible for

incentives available through the department of revenue or the office of economic development and international trade, including but not limited to a reduction in application or license fees.

(12) (a) In accordance with the rules promulgated by the state licensing authority, a retail marijuana cultivation facility may obtain genetic material from:

(I) Another medical or retail marijuana cultivation facility;

(II) A medical or retail marijuana testing facility;

(III) A person licensed by, approved by, or permitted by another jurisdiction to possess or cultivate plants of the genus cannabis; or

(IV) Any other source permitted by rule of the state licensing authority.

(b) (I) A retail marijuana cultivation facility may sell, transfer, or ship genetic material to:

(A) Another medical or retail marijuana cultivation facility;

(B) A medical or retail marijuana testing facility;

(C) A person licensed by, approved by, or permitted by another jurisdiction to possess or cultivate plants of the genus cannabis; or

(D) Any other person permitted by rule of the state licensing authority.

(II) Repealed.

(III) For sales, transfers, or shipments to an individual, a retail marijuana cultivation facility shall establish processes and procedures to confirm that the purchasing or receiving individual is twenty-one years of age or older using an age verification process, such as authentication verification, biometric verification, or document verification.

(IV) A licensed retail marijuana cultivation facility may accept payment online for the sale, transfer, or shipment of genetic material.

(V) A licensed retail marijuana cultivation facility shall not transfer genetic material directly to consumers who are present on the licensed premises.

(c) The state licensing authority may promulgate rules to implement this subsection (12) to set requirements for inventory tracking, reporting, and record keeping. In promulgating the rules and conducting enforcement actions under this subsection (12), the state licensing authority may:

(I) Require inventory tracking of genetic material only when the genetic material is:

(A) On the licensed premises of a medical marijuana or retail marijuana business; or

(B) Being transferred between regulated marijuana businesses licensed pursuant to this article 10;

(II) Only confirm the licensee has established processes and procedures to verify compliance with subsection (12)(b)(III) of this section; or

(III) Monitor or take enforcement action associated with a licensee's genetic material activities that occur only on the licensed premises.

(d) This subsection (12) does not limit the applicability of another state's law, the applicability of federal law, or enforcement by federal agencies.

(13) (a) After obtaining passing test results required by subsection (4) of this section, a retail marijuana cultivation facility may transfer retail marijuana to a co-located medical marijuana cultivation facility with at least one identical controlling beneficial owner and change the designation of the retail marijuana to medical marijuana. Pursuant to section 44-10-502 (9)(a), after the medical marijuana cultivation facility enters the designation change into the seed-to-sale tracking system, the marijuana is medical marijuana and is the property of the

medical marijuana cultivation facility. The marijuana that changed designation pursuant to this subsection (13)(a) shall not be transferred to the originating retail marijuana cultivation facility or any retail marijuana licensee, have its designation changed from medical marijuana to retail marijuana, or otherwise be treated as retail marijuana.

(b) Both the medical marijuana cultivation facility and retail marijuana cultivation facility must remain at or under their respective regulated inventory limits before and after the designation is conducted pursuant to subsection (13)(a) of this section.

(c) A transfer and change of designation of retail marijuana to medical marijuana pursuant to this subsection (13) is not a transaction that results in a right to refund of any retail marijuana excise tax incurred or paid prior to that transfer and change of designation.

(13.5) (a) Starting January 1, 2023, after obtaining passing testing results, a retail marijuana cultivation facility may receive a transfer of medical marijuana from a co-located medical marijuana cultivation facility with at least one identical controlling beneficial owner and change the designation of the medical marijuana to retail marijuana. The retail marijuana cultivation facility shall enter the designation change into the seed-to-sale tracking system and, after the change is entered into the system, the marijuana is retail marijuana and is the property of the retail marijuana cultivation facility. The marijuana that changed designation pursuant to this subsection (13.5)(a) must not be transferred to the originating medical marijuana cultivation facility or any medical marijuana licensee, have its designation changed from retail marijuana back to medical marijuana, or otherwise be treated as medical marijuana.

(b) (I) Notwithstanding subsection (13.5)(a) of this section to the contrary, a retail marijuana cultivation facility may receive a transfer of medical marijuana from a medical marijuana cultivation facility that is not co-located with the retail marijuana cultivation facility to change the designation of the medical marijuana to retail marijuana if:

(A) The retail marijuana cultivation facility and medical marijuana cultivation facility have at least one identical controlling beneficial owner; and

(B) The retail marijuana cultivation facility and medical marijuana cultivation facility cannot be co-located because the local jurisdiction prohibits the operation of either a medical marijuana cultivation facility or a retail marijuana cultivation facility.

(II) Prior to receiving a transfer pursuant to this subsection (13.5)(b), the retail marijuana cultivation facility shall ensure that the medical marijuana passed all tests required by the state licensing authority in rule.

(c) Both the retail marijuana cultivation facility and the medical marijuana cultivation facility shall remain at or under their respective regulated inventory limits before and after the transfer is conducted pursuant to this subsection (13.5).

(d) The retail marijuana cultivation facility shall pay any retail marijuana excise tax pursuant to section 39-28.8-302. The retail marijuana cultivation facility shall notify the local licensing authority in the local jurisdiction where the transferor and transferee operate and pay any applicable excise tax on the transferred retail marijuana.

(e) Pursuant to the requirements of this subsection (13.5), a retail marijuana cultivation facility may receive a virtual transfer of marijuana that is reflected in the seed-to-sale tracking system even if the marijuana is not physically moved or transferred.

(14) (a) Beginning January 1, 2022, a retail marijuana cultivation facility licensee that cultivates retail marijuana outdoors may file a contingency plan for its outdoor cultivation operation to address how the licensee will respond when there is an adverse weather event. If the

licensee files a contingency plan, the licensee shall also submit a copy of the plan to the local licensing authority in the local jurisdiction where the licensee operates. If the contingency plan is approved by the state licensing authority, the retail marijuana cultivation facility licensee may follow the contingency plan in the case of an adverse weather event.

(b) After the state licensing authority approves a contingency plan, it shall notify the local licensing authority of the approval. The local licensing authority may enforce local land use and zoning laws and regulations regarding the contingency plan and may develop internal regulatory processes to evaluate contingency plans.

(c) On and after January 1, 2023, a local licensing authority may require that an applicant for a retail marijuana cultivation facility license include a contingency plan with the application for the local licensing authority's review and approval.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2909, § 5, effective January 1, 2020; (1) amended, (HB 19-1230), ch. 340, p. 3121, § 18, effective January 1, 2020. **L. 2020:** (9), (10), and (11) amended, (HB 20-1424), ch. 184, p. 846, § 8, effective September 14. **L. 2021:** (14) added, (HB 21-1301), ch. 304, p. 1827, § 7, effective September 7; (13) added, (HB 21-1216), ch. 306, p. 1833, § 3, effective July 1, 2022. **L. 2022:** (13.5) added, (SB 22-178), ch. 247, p. 1830, § 2, effective July 1. **L. 2023:** (12) amended, (SB 23-271), ch. 444, p. 2616, § 7, effective June 7. **L. 2024:** IP(12)(a), (12)(a)(II), (12)(a)(III), IP(12)(b)(I), (12)(b)(I)(B), (12)(b)(I)(C), and (12)(b)(I)(D) amended, (12)(b)(II) repealed, and (12)(b)(III), (12)(b)(IV), (12)(b)(V), (12)(c), and (12)(d) added, (SB 24-076), ch. 410, p. 2833, § 10, effective August 7.

Editor's note: (1) This section is similar to former § 44-12-403 as it existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-603. Retail marijuana products manufacturer license - rules - definition. (1) (a) A retail marijuana products manufacturer license may be issued to a person who manufactures retail marijuana products pursuant to the terms and conditions of this article 10.

(b) A retail marijuana products manufacturer may cultivate its own retail marijuana if it obtains a retail marijuana cultivation facility license, or it may purchase retail marijuana from a licensed retail marijuana cultivation facility. A retail marijuana products manufacturer shall track all of its retail marijuana from the point it is either transferred from its retail marijuana cultivation facility or the point when it is delivered to the retail marijuana products manufacturer from a licensed retail marijuana cultivation facility to the point of transfer to a licensed retail marijuana store, a licensed retail marijuana products manufacturer, a retail marijuana testing facility, or a licensed retail marijuana cultivation facility with a centralized distribution permit pursuant to section 44-10-602 (7).

(c) A retail marijuana products manufacturer shall not accept any retail marijuana purchased from a retail marijuana cultivation facility unless the retail marijuana products manufacturer is provided with evidence that any applicable excise tax due pursuant to article 28.8 of title 39 was paid.

(d) A retail marijuana products manufacturer shall not:

(I) Add any marijuana to a food product where the manufacturer of the food product holds a trademark to the food product's name; except that a retail marijuana products manufacturer may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the retail marijuana products manufacturer does not state or advertise to the consumer that the final retail marijuana product contains a trademarked food product;

(II) Intentionally or knowingly label or package a retail marijuana product in a manner that would cause a reasonable consumer confusion as to whether the retail marijuana product was a trademarked food product; or

(III) Label or package a product in a manner that violates any federal trademark law or regulation.

(e) A retail marijuana products manufacturer may sell retail marijuana and retail marijuana products to a retail marijuana hospitality and sales business.

(f) A person must be licensed as a retail marijuana products manufacturer, including paying the license and application fees, to manufacture potentially intoxicating cannabinoids or intoxicating cannabinoids from retail marijuana to be used as an ingredient or as finished retail marijuana products in accordance with this article 10.

(2) Retail marijuana products must be prepared on a licensed premises that is used exclusively for the manufacture and preparation of retail marijuana or retail marijuana products and using equipment that is used exclusively for the manufacture and preparation of retail marijuana products; except that, if permitted by the local jurisdiction and subject to rules of the state licensing authority, a retail marijuana products manufacturer licensee may share the same premises as:

(a) A medical marijuana products manufacturer licensee so long as a virtual or physical separation of inventory is maintained;

(b) A commonly owned marijuana research and development licensee so long as virtual or physical separation of inventory and research activity is maintained; or

(c) An accelerator manufacturer licensee if the retail marijuana products manufacturer has its premises endorsed pursuant to rule before each accelerator manufacturer licensee operates and each accelerator manufacturer licensee is approved to operate on that premises.

(3) All licensed premises on which retail marijuana products are manufactured must meet the sanitary standards for retail marijuana product preparation promulgated pursuant to section 44-10-203 (2)(i).

(4) (a) The retail marijuana product must be sealed and conspicuously labeled in compliance with this article 10 and any rules promulgated pursuant to this article 10. The labeling of retail marijuana products is a matter of statewide concern.

(b) The standard symbol requirements as promulgated pursuant to section 44-10-203 (2)(y) do not apply to a multi-serving liquid retail marijuana product, which is impracticable to mark, if the product complies with all statutory and rule packaging requirements for multi-serving edibles and complies with the following enhanced requirements to reduce the risk of accidental ingestion. A multi-serving liquid must:

(I) Be packaged in a structure that uses a single mechanism to achieve both child-resistance and accurate pouring measurement of each liquid serving in increments equal to or less than ten milligrams of active THC per serving, with no more than one hundred milligrams of active THC total per package; and

(II) The measurement component is within the child-resistant cap or closure of the bottle and is not a separate component.

(5) Retail marijuana or retail marijuana products may not be consumed on the premises of a retail marijuana products manufacturer.

(6) A retail marijuana products manufacturer may provide, except as required by section 44-10-203 (2)(d), a sample of its products to a facility that has a retail marijuana testing facility license from the state licensing authority for testing and research purposes. A retail marijuana products manufacturer shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

(7) An edible retail marijuana product may list its ingredients and compatibility with dietary practices.

(8) A licensed retail marijuana products manufacturer shall package and label each product manufactured as required by rules of the state licensing authority pursuant to section 44-10-203 (2)(f) and (3)(b).

(9) All retail marijuana products that require refrigeration to prevent spoilage must be stored and transported in a refrigerated environment.

(10) (a) A retail marijuana products manufacturer licensee may provide a retail marijuana product sample and a retail marijuana concentrate sample to no more than five managers employed by the licensee for purposes of quality control and product development. A retail marijuana products manufacturer licensee may designate no more than five managers per calendar month as recipients of quality control and product development samples authorized pursuant to this subsection (10)(a).

(b) A sample authorized pursuant to subsection (10)(a) of this section is limited to one serving size of an edible retail marijuana product not exceeding ten milligrams of THC and its applicable equivalent serving size of nonedible retail marijuana product per batch as defined in rules promulgated by the state licensing authority and one-quarter gram of retail marijuana concentrate per batch as defined in rules promulgated by the state licensing authority; except that the limit is one-half gram of retail marijuana concentrate if the intended use of the final product is to be used in a device that can be used to deliver retail marijuana concentrate in a vaporized form to the person inhaling from the device.

(c) A sample authorized pursuant to subsection (10)(a) of this section must be labeled and packaged pursuant to the rules promulgated pursuant to section 44-10-203 (2)(f) and (3)(b).

(d) A sample provided pursuant to subsection (10)(a) of this section must be tracked with the seed-to-sale tracking system. Prior to a manager receiving a sample, a manager must be designated in the seed-to-sale tracking system as a recipient of quality control and product development samples. A manager receiving a sample must make a voluntary decision to be tracked in the seed-to-sale tracking system and is not a consumer pursuant to section 16 (5)(c) of article XVIII of the state constitution. The retail marijuana products manufacturer licensee shall maintain documentation of all samples and shall make the documentation available to the state licensing authority.

(e) Prior to a manager receiving a sample pursuant to subsection (10)(a) of this section, a retail marijuana products manufacturer licensee shall provide a standard operating procedure to the manager explaining requirements pursuant to this section and personal possession limits pursuant to section 18-18-406.

(f) A manager shall not:

(I) Receive more than a total of eight grams of retail marijuana concentrate or fourteen individual serving-size edibles or its applicable equivalent in nonedible retail marijuana products per calendar month, regardless of the number of licenses that the manager is associated with; or

(II) Provide to or resell the sample to another licensed employee, a customer, or any other individual.

(g) A retail marijuana products manufacturing licensee shall not:

(I) Allow a manager to consume the sample on the licensed premises; or

(II) Use the sample as a means of compensation to a manager.

(h) The state licensing authority may establish additional inventory tracking and record keeping, including additional reporting required for implementation. The retail marijuana products manufacturer licensee shall maintain the information required by this subsection (10)(h) on the licensed premises for inspection by the state and local licensing authorities.

(i) For purposes of this subsection (10) only, "manager" means an employee of the retail marijuana products manufacturer who holds a valid key license or associated key license and is currently designated pursuant to state licensing authority rules as the manager of the retail marijuana products manufacturer.

(11) (a) A retail marijuana products manufacturer that uses a hemp product as an ingredient in a retail marijuana product shall ensure that the hemp product has passed all testing required by rules promulgated by the state licensing authority pursuant to section 44-10-203 (2)(d). Prior to taking possession of the hemp product, a retail marijuana products manufacturer shall verify that the hemp product passed all testing required for retail marijuana products at a licensed retail marijuana testing facility and that the person transferring the hemp product has received a registration from the department of public health and environment pursuant to section 25-5-426.

(b) Absent sampling and testing standards established by the department of public health and environment for the sampling and testing of a hemp product, a person transferring a hemp product to a retail marijuana products manufacturer pursuant to this section shall comply with sampling and testing standards consistent with those established by the state licensing authority pursuant to this article 10. The state licensing authority shall report to the department of public health and environment any investigations or findings in violation of this section by a person registered pursuant to section 25-5-426.

(12) Notwithstanding any other provision of law to the contrary, a licensed retail marijuana products manufacturer may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

(13) A retail marijuana products manufacturer licensee that hosts an accelerator manufacturer licensee may, pursuant to rule, provide technical and compliance assistance to an accelerator manufacturer licensee operating on its premises. A retail marijuana products manufacturer licensee that hosts an accelerator manufacturer licensee may, pursuant to rule, provide capital assistance to an accelerator manufacturer licensee operating on its premises.

(14) A retail marijuana products manufacturer licensee, pursuant to rule and the state licensing authority discretion, may be eligible for incentives through the department of revenue or the office of economic development and international trade, including but not limited to a reduction in application or license fees.

(15) (a) After obtaining passing test results required by subsection (6) of this section, a retail marijuana products manufacturer may transfer retail marijuana that has been extracted and

is in a concentrated form to a co-located medical marijuana products manufacturer with at least one identical controlling beneficial owner and change the designation of the retail marijuana that has been extracted and is in a concentrated form to medical marijuana that has been extracted and is in a concentrated form. Pursuant to section 44-10-503 (12)(a), after the medical marijuana products manufacturer enters the designation change into the seed-to-sale tracking system, the product is a medical marijuana product and is the property of the medical marijuana products manufacturer. A product that changed designation pursuant to this subsection (15)(a) shall not be transferred to the originating retail marijuana products manufacturer or any retail marijuana licensee, have its designation changed from a medical marijuana product, or otherwise be treated as a retail marijuana product.

(b) A transfer and change of designation of retail marijuana that has been extracted and is in a concentrated form to medical marijuana that has been extracted and is in a concentrated form pursuant to this subsection (15) is not a transaction that results in a right to refund of any retail marijuana excise tax incurred or paid prior to that transfer and change of designation.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2913, § 5, effective January 1, 2020 (see editor's note); (1)(e) added, (HB 19-1230), ch. 340, p. 3121, § 19, effective January 1, 2020. **L. 2020:** (2)(c), (13), and (14) amended, (HB 20-1424), ch. 184, p. 847, § 9, effective September 14. **L. 2021:** (2) amended, (HB 21-1178), ch. 130, p. 525, § 7, effective September 7; (15) added, (HB 21-1216), ch. 306, p. 1834, § 4, effective July 1, 2022. **L. 2023:** (1)(f) added, (SB 23-271), ch. 444, p. 2617, § 8, effective June 7. **L. 2024:** (11) amended, (SB 24-172), ch. 151, p. 613, § 6, effective August 7.

Editor's note: (1) This section is similar to former § 44-12-404 as it existed prior to 2020.

(2) Section 38 of chapter 315 (SB 19-224), Session Laws of Colorado 2019, provides that the effective date of subsection (11) is July 1, 2020.

44-10-604. Retail marijuana testing facility license - rules. (1) (a) A retail marijuana testing facility license may be issued to a person who performs testing and research on retail marijuana and industrial hemp as regulated by article 61 of title 35 and hemp products as regulated by part 4 of article 5 of title 25. The facility may develop and test retail marijuana products, industrial hemp as regulated by article 61 of title 35, and hemp products as regulated by part 4 of article 5 of title 25. Prior to performing testing on industrial hemp, a facility shall verify that the person requesting the testing has received a registration from the commissioner as required by section 35-61-104. Prior to performing testing on hemp products, a facility shall verify that the person requesting the testing has received a registration as required by section 25-5-426.

(b) The testing of retail marijuana, retail marijuana products, and retail marijuana concentrate, and the associated standards, is a matter of statewide concern.

(2) The state licensing authority shall promulgate rules pursuant to its authority in section 44-10-202 (1)(c) related to acceptable testing and research practices, including but not limited to testing, standards, quality control analysis, equipment certification and calibration, and chemical identification and other substances used in bona fide research methods.

(3) A person who has an interest in a retail marijuana testing facility license from the state licensing authority for testing purposes shall not have any interest in a licensed medical marijuana store, a licensed medical marijuana cultivation facility, a licensed medical marijuana products manufacturer, a licensed retail marijuana store, a licensed retail marijuana cultivation facility, or a licensed retail marijuana products manufacturer. A person that has an interest in a licensed medical marijuana store, a licensed medical marijuana cultivation facility, a licensed medical marijuana products manufacturer, a licensed retail marijuana store, a licensed retail marijuana cultivation facility, or a licensed retail marijuana products manufacturer shall not have an interest in a facility that has a retail marijuana testing facility license.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2917, § 5, effective January 1, 2020. **L. 2024:** (1)(a) amended, (SB 24-172), ch. 151, p. 613, § 7, effective August 7.

Editor's note: This section is similar to former § 44-12-405 as it existed prior to 2020.

44-10-605. Retail marijuana transporter license - definition. (1) (a) A retail marijuana transporter license may be issued to a person to provide logistics, distribution, delivery, and storage of retail marijuana and retail marijuana products. Notwithstanding any other provisions of law, a retail marijuana transporter license is valid for two years. A licensed retail marijuana transporter is responsible for the retail marijuana and retail marijuana products once it takes control of the product.

(b) A licensed retail marijuana transporter may contract with multiple licensed retail marijuana businesses.

(c) On and after July 1, 2017, all retail marijuana transporters shall hold a valid retail marijuana transporter license; except that an entity licensed pursuant to this article 10 that provides its own distribution is not required to have a retail marijuana transporter license to transport and distribute its products. The state licensing authority shall begin accepting applications after January 1, 2017.

(2) A retail marijuana transporter licensee may maintain a licensed premises to temporarily store retail marijuana and retail marijuana products and to use as a centralized distribution point. The licensed premises must be located in a jurisdiction that permits the operation of retail marijuana stores. A licensed retail marijuana transporter may store and distribute retail marijuana and retail marijuana products from this location. A storage facility must meet the same security requirements that are required to obtain a retail marijuana cultivation facility license.

(3) A retail marijuana transporter licensee shall use the seed-to-sale tracking system developed pursuant to section 44-10-202 (1)(a) to create shipping manifests documenting the transport of retail marijuana and retail marijuana products throughout the state.

(4) A retail marijuana transporter licensee may:

(a) Maintain and operate one or more warehouses in the state to handle retail marijuana and retail marijuana products; and

(b) Deliver retail marijuana products on orders previously taken if the place where orders are taken and delivered is licensed.

(5) (a) (I) There is authorized a retail marijuana delivery permit to a retail marijuana transporter license authorizing the permit holder to deliver retail marijuana and retail marijuana products.

(II) A retail marijuana delivery permit is valid for two years and may be renewed upon renewal of the retail marijuana transporter license.

(III) A retail marijuana delivery permit issued pursuant to this section applies to only one retail marijuana transporter; except that a single retail marijuana delivery permit may apply to multiple retail marijuana transporters provided that the retail marijuana transporters are in the same local jurisdiction and are identically owned, as defined by the state licensing authority for purposes of this section.

(IV) The state licensing authority may issue a retail marijuana delivery permit to a qualified applicant, as determined by the state licensing authority, that holds a retail marijuana transporter license issued pursuant to this article 10. A permit applicant is prohibited from delivering retail marijuana and retail marijuana products without state and local jurisdiction approval. If the applicant does not receive local jurisdiction approval within one year from the date of the state licensing authority approval, the state permit expires and may not be renewed. If an application is denied by the local licensing authority, the state licensing authority shall revoke the state-issued permit. The state licensing authority has discretion in determining whether an applicant is qualified to receive a retail marijuana delivery permit. A retail marijuana delivery permit issued by the state licensing authority is deemed a revocable privilege of a licensed retail marijuana transporter. A violation related to a retail marijuana delivery permit is grounds for a fine or suspension or revocation of the delivery permit or retail marijuana transporter license.

(b) A retail marijuana transporter licensee shall not make deliveries of retail marijuana or retail marijuana products to individuals while also transporting retail marijuana or retail marijuana products between licensed premises in the same vehicle.

(c) A licensed retail marijuana transporter with a retail marijuana delivery permit may deliver retail marijuana and retail marijuana products on behalf of a retail marijuana store only to the individual who placed the order with a retail marijuana store and who:

(I) Is twenty-one years of age or older;

(II) Receives the delivery of retail marijuana or retail marijuana products pursuant to rules; and

(III) Possesses an acceptable form of identification.

(d) In accordance with this subsection (5) and rules adopted to implement this subsection (5), a licensed retail marijuana transporter with a valid retail marijuana delivery permit may:

(I) Not accept orders on behalf of a retail marijuana store and may only pick up already packaged retail marijuana delivery orders from a retail marijuana store or its associated state licensing authority-authorized storage facility as defined by rule and deliver those orders to the appropriate individual;

(II) Deliver retail marijuana and retail marijuana products not in excess of the amounts established by the state licensing authority;

(III) Deliver only to an individual at the address provided in the order;

(IV) Deliver no more than once per day to the same individual or residence;

(V) (A) Deliver only to a private residence.

(B) For purposes of this section, "private residences" means private premises where a person lives, such as a private dwelling place or place of habitation, and specifically excludes

any premises located at a school or on the campus of an institution of higher education, or any other public property.

(VI) Deliver retail marijuana or retail marijuana products only by a motor vehicle that complies with this section and the rules promulgated pursuant to this section and section 44-10-203 (2)(dd); and

(VII) Use an employee to conduct deliveries on behalf of, and pursuant to a contract with, a retail marijuana store that has a valid retail marijuana delivery permit from its retail marijuana store or its associated state licensing authority-authorized storage facility as defined by rule.

(e) Prior to transferring possession of the order to an individual, the person delivering the order shall inspect the individual's identification and verify that the information provided at the time of the order matches the name and age on the individual's identification.

(f) Any person delivering retail marijuana or retail marijuana products for a retail marijuana transporter must possess a valid occupational license and be a current employee of the retail marijuana transporter licensee with a valid retail marijuana delivery permit; must have undergone training regarding proof-of-age identification and verification, including all forms of identification that are deemed acceptable by the state licensing authority; and must have any other training required by the state licensing authority.

(g) (I) Unless otherwise provided by the state licensing authority by rules promulgated pursuant to this article 10, all requirements applicable to other licenses issued pursuant to this article 10 apply to the delivery of retail marijuana and retail marijuana products, including but not limited to inventory tracking, transportation, and packaging and labeling requirements.

(II) The advertising regulations and prohibitions adopted pursuant to section 44-10-203 (3)(a) apply to retail marijuana delivery operations pursuant to this subsection (5).

(h) It is not a violation of any provision of state, civil, or criminal law for a licensed retail marijuana transporter licensee with a valid retail marijuana delivery permit, or such person who has made timely and sufficient application for the renewal of the permit, or its licensees to possess, transport, and deliver retail marijuana and retail marijuana products pursuant to a retail marijuana delivery permit in amounts that do not exceed amounts established by the state licensing authority.

(i) (I) Notwithstanding any provisions of this section, delivery of retail marijuana or retail marijuana products is not permitted in any municipality, county, or city and county unless the municipality, county, or city and county, by either a majority of the registered electors of the municipality, county, or city and county voting at a regular election or special election called in accordance with the "Colorado Municipal Election Code of 1965", article 10 of title 31, or the "Uniform Election Code of 1992", articles 1 to 13 of title 1, as applicable, or a majority of the members of the governing board for the municipality, county, or city and county, vote to allow the delivery of retail marijuana or retail marijuana products pursuant to this section.

(II) An ordinance adopted pursuant to subsection (5)(i)(I) of this section may prohibit delivery of retail marijuana and retail marijuana products from a retail marijuana store that is outside a municipality's, county's, city's, or city and county's jurisdictional boundaries to an address within its jurisdictional boundaries.

(j) The state licensing authority shall begin issuing retail marijuana delivery permits to qualified retail marijuana transporter applicants on, but not earlier than, January 2, 2021.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2918, § 5, effective January 1, 2020. **L. 2022:** (1)(a) amended, (HB 22-1135), ch. 40, p. 212, § 2, effective August 10. **L. 2024:** (5)(a)(II) amended, (SB 24-076), ch. 410, p. 2834, § 11, effective August 7.

Editor's note: (1) This section is similar to former § 44-12-406 as it existed prior to 2020.

(2) Section 15(2) of chapter 410 (SB 24-076), Session Laws of Colorado 2024, provides that the act changing this section applies to acts committed on or after August 7, 2024.

44-10-606. Retail marijuana business operator license. A retail marijuana business operator license may be issued to a person who operates a retail marijuana business licensed pursuant to this article 10, for an owner licensed pursuant to this article 10, and who may receive a portion of the profits as compensation.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2921, § 5, effective January 1, 2020.

Editor's note: This section is similar to former § 44-12-407 as it existed prior to 2020.

44-10-607. Retail marijuana accelerator cultivator license. (1) A retail marijuana accelerator cultivator license may be issued to a social equity licensee to exercise the privileges of a retail marijuana cultivation facility licensee on the premises of an accelerator-endorsed retail marijuana cultivation facility. The retail marijuana accelerator cultivator may receive technical assistance and financial support from the retail marijuana cultivation facility licensee with an accelerator endorsement.

(2) The state licensing authority shall begin accepting applications for retail marijuana accelerator cultivator licenses on January 1, 2021.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2921, § 5, effective January 1, 2020. **L. 2020:** Entire section amended, (HB 20-1424), ch. 184, p. 847, § 10, effective September 14.

44-10-608. Retail marijuana accelerator manufacturer license. (1) A retail marijuana accelerator manufacturer license may be issued to a social equity licensee to exercise the privileges of a retail marijuana products manufacturer licensee on the premises of an accelerator-endorsed retail marijuana products manufacturer. The retail marijuana accelerator manufacturer may receive technical assistance and financial support from the retail marijuana products manufacturer with an accelerator endorsement.

(2) The state licensing authority shall begin accepting applications for retail marijuana accelerator manufacturer licenses on January 1, 2021.

Source: L. 2019: Entire article added with relocations, (SB 19-224), ch. 315, p. 2921, § 5, effective January 1, 2020. **L. 2020:** Entire section amended, (HB 20-1424), ch. 184, p. 847, § 11, effective September 14.

44-10-609. Marijuana hospitality business license. (1) (a) The state licensing authority may issue a marijuana hospitality business license authorizing the licensee to operate a licensed premises in which marijuana may be consumed pursuant to this article 10, rules promulgated pursuant to this article 10, and the provisions of the ordinance or resolution of the local jurisdiction in which the licensee operates.

(b) Subject to provisions of this article 10 and the ordinance or resolution of the local jurisdiction in which the licensee operates, a retail food business as defined in section 25-4-1602 (14) that does not hold a license or permit issued pursuant to article 3, 4, or 5 of this title 44 may apply for a license to operate a marijuana hospitality business in an isolated portion of the premises of the retail food business. A retail food business operating a marijuana hospitality business pursuant to this subsection (1)(b) is subject to the terms and conditions of article 4 of title 25 and the rules promulgated pursuant to that article, including but not limited to licensure requirements and inspection and enforcement authority of the Colorado department of public health and environment. This subsection (1)(b) does not authorize the marijuana hospitality business to engage in the manufacture of medical marijuana-infused products or retail marijuana products or to add marijuana to foods produced or provided at the retail food business.

(c) If a municipality, county, city, or city and county has in effect as of January 1, 2020, an ordinance or resolution related to consumption of marijuana, nothing in this section restricts the enforcement of that ordinance or resolution, and the local jurisdiction may, by ordinance or resolution, require a business operating as a place for on-site marijuana consumption to be licensed pursuant to this section.

(d) The state licensing authority shall maintain a list of all marijuana hospitality businesses in the state and shall make the list available on its website.

(2) A marijuana hospitality business shall not:

(a) Engage in or permit the sale or exchange for remuneration of retail or medical marijuana, retail marijuana products, or medical marijuana-infused products in the licensed premises;

(b) Allow on-duty employees of the business to consume any marijuana in the licensed premises of the business;

(c) Distribute or allow distribution of free samples of marijuana in the licensed premises of the business;

(d) Allow the consumption of alcohol on the licensed premises;

(e) Allow the smoking of tobacco or tobacco products in the licensed premises of the business;

(f) Allow the use of any device using any liquid petroleum gas, a butane torch, a butane lighter, or matches in the licensed premises if prohibited by local ordinance or resolution;

(g) Allow any activity that would require an additional license under this article 10 in the licensed premises of the business, including but not limited to sales, manufacturing, or cultivation;

(h) Knowingly permit any activity or acts of disorderly conduct as described in section 18-9-106;

(i) Permit the use or consumption of marijuana by a patron who displays any visible signs of intoxication;

(j) Permit rowdiness, undue noise, or other disturbances or activity offensive to the average citizen or to the residents of the neighborhood in which the licensed premises is located; or

(k) Admit into the licensed premises of the business any person who is under twenty-one years of age.

(3) A marijuana hospitality business shall:

(a) Operate the business in a decent, orderly, and respectable manner;

(b) Require all employees of the business to have a valid responsible vendor designation, as described in section 44-10-1201;

(c) Ensure that the display and consumption of any marijuana is not visible from outside of the licensed premises of the business;

(d) Educate consumers of marijuana by providing informational materials regarding the safe consumption of marijuana. The materials must be based on the requirements established by the marijuana educational oversight committee, established pursuant to section 24-20-112 (4), and on the relevant research from the panel of health-care professionals appointed pursuant to section 25-1.5-110. Nothing in this subsection (3)(d) prohibits a local jurisdiction from adopting additional requirements for education on safe consumption.

(e) Maintain a record of all educational materials required by subsection (3)(d) of this section in the licensed premises for inspection by state and local licensing authorities and law enforcement; and

(f) If an emergency requires law enforcement, firefighters, emergency medical service providers, or other public safety personnel to enter a marijuana hospitality business, ensure that all employees and patrons of the business cease all consumption and other activities until such personnel have completed their investigation or services and have left the licensed premises.

(4) A marijuana hospitality business and its employees may remove an individual from the business for any reason, including a patron who displays any visible signs of intoxication.

Source: L. 2019: Entire section added, (HB 19-1230), ch. 340, p. 3121, § 20, effective January 1, 2020. **L. 2022:** (3)(b) amended, (HB 22-1222), ch. 111, p. 506, § 3, effective January 1, 2023.

44-10-610. Retail marijuana hospitality and sales business license. (1) (a) The state licensing authority may issue a retail marijuana hospitality and sales business license authorizing the licensee to operate a licensed premises in which marijuana may be sold and consumed pursuant to this article 10, rules promulgated pursuant to this article 10, and the provisions of the ordinance or resolution of the local jurisdiction in which the licensee operates.

(b) Subject to provisions of this article 10 and the ordinance or resolution of the local jurisdiction in which the licensee operates, a retail food business as defined in section 25-4-1602 (14) that does not hold a license or permit issued pursuant to article 3, 4, or 5 of this title 44 may apply for a license to operate a retail marijuana hospitality and sales business in an isolated portion of the premises of the retail food business. A retail food business operating a retail marijuana hospitality and sales business pursuant to this subsection (1)(b) is subject to the terms and conditions of article 4 of title 25 and the rules promulgated pursuant to that article, including but not limited to licensure requirements and inspection and enforcement authority of the Colorado department of public health and environment. This subsection (1)(b) does not authorize

the retail marijuana hospitality and sales business to engage in the manufacture of medical marijuana-infused products or retail marijuana products or to add marijuana to foods produced or provided at the retail food business.

(c) The state licensing authority shall maintain a list of all retail marijuana hospitality and sales businesses in the state and shall make the list available on its website.

(2) A retail marijuana hospitality and sales business licensee shall not:

(a) Engage in multiple sales transactions to the same patron during the same business day when the business's employee knows or reasonably should have known that the sales transaction would result in the patron possessing more than the sales limit established by the state licensing authority;

(b) Allow on-duty employees of the business to consume any marijuana in the licensed premises;

(c) Distribute or allow distribution of free samples of marijuana in the licensed premises of the business;

(d) Sell any retail marijuana or retail marijuana products that contain nicotine or, if the sale of alcohol would require a license or permit pursuant to article 3, 4, or 5 of this title 44, alcohol;

(e) Allow the consumption of alcohol on the licensed premises;

(f) Allow the smoking of tobacco or tobacco products in the licensed premises of the business;

(g) Allow the use of any device using any liquid petroleum gas, a butane torch, a butane lighter, or matches in the licensed premises if prohibited by local ordinance or resolution;

(h) Allow any activity that would require an additional license under this article 10 in the licensed premises of the business, including but not limited to manufacturing or cultivation activity;

(i) Knowingly permit any activity or acts of disorderly conduct as described in section 18-9-106;

(j) Sell, serve, or permit the sale or serving of retail marijuana or retail marijuana products to any patron who shows signs of visible intoxication;

(k) Permit rowdiness, undue noise, or other disturbances or activity offensive to the average citizen or to the residents of the neighborhood in which the licensed premises is located; or

(l) Admit into the licensed premises of a retail marijuana hospitality and sales business any person who is under twenty-one years of age.

(3) A retail marijuana hospitality and sales business licensee shall:

(a) Track all of its retail marijuana and retail marijuana products from the point that they are transferred from a retail marijuana store, retail marijuana products manufacturer, or retail marijuana cultivation facility to the point of sale to its patrons;

(b) Limit a patron to one transaction of no more than the sales limit set by the state licensing authority by rule pursuant to section 44-10-203 (2)(ff)(II);

(c) Before allowing a patron to leave the licensed premises with any retail marijuana or retail marijuana products, package and label the retail marijuana or retail marijuana products in accordance with procedures developed by the business that comply with the requirements of section 44-10-203 (2)(f) and (3)(b);

(d) Operate the business in a decent, orderly, and respectable manner;

(e) Require all employees of the business to have a valid responsible vendor designation, as described in section 44-10-1201;

(f) Ensure that the display and consumption of any retail marijuana or retail marijuana product is not visible from outside of the business;

(g) Educate consumers of marijuana by providing informational materials regarding the safe consumption of marijuana. The materials must be based on the requirements established by the marijuana educational oversight committee, established pursuant to section 24-20-112 (4), and on the relevant research from the panel of health-care professionals appointed pursuant to section 25-1.5-110. Nothing in this subsection (3)(g) prohibits a local jurisdiction from adopting additional requirements for education on safe consumption.

(h) Maintaining a record of all educational materials required by subsection (3)(g) of this section in the licensed premises for inspection by state and local licensing authorities and law enforcement; and

(i) If an emergency requires law enforcement, firefighters, emergency medical service providers, or other public safety personnel to enter a retail marijuana hospitality and sales business, ensure that all employees and patrons of the business cease all sales, consumption, and other activities until such personnel have completed their investigation or services and have left the licensed premises.

(4) A retail marijuana hospitality and sales business and its employees may remove an individual from the business for any reason, including a patron who displays any visible signs of intoxication.

(5) A retail marijuana hospitality and sales business may purchase retail marijuana or retail marijuana products from any retail marijuana store, retail marijuana cultivation facility, or retail marijuana products manufacturer.

Source: L. 2019: Entire section added, (HB 19-1230), ch. 340, p. 3121, § 20, effective January 1, 2020. **L. 2022:** (3)(e) amended, (HB 22-1222), ch. 111, p. 506, § 4, effective January 1, 2023.

44-10-611. Retail marijuana accelerator store license. (1) A retail marijuana accelerator store license may be issued to a social equity licensee to exercise the privileges of a retail marijuana store licensee on the premises of an accelerator-endorsed retail marijuana store. The retail marijuana accelerator store may receive technical assistance and financial support from the retail marijuana store with an accelerator endorsement.

(2) The state licensing authority shall begin accepting applications for retail marijuana accelerator store licenses on January 1, 2021.

Source: L. 2020: Entire section added, (HB 20-1424), ch. 184, p. 848, § 12, effective September 14.

PART 7

UNLAWFUL ACTS